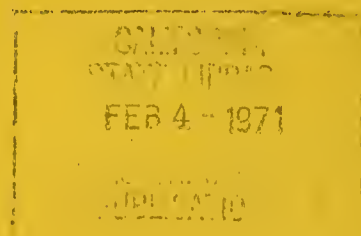


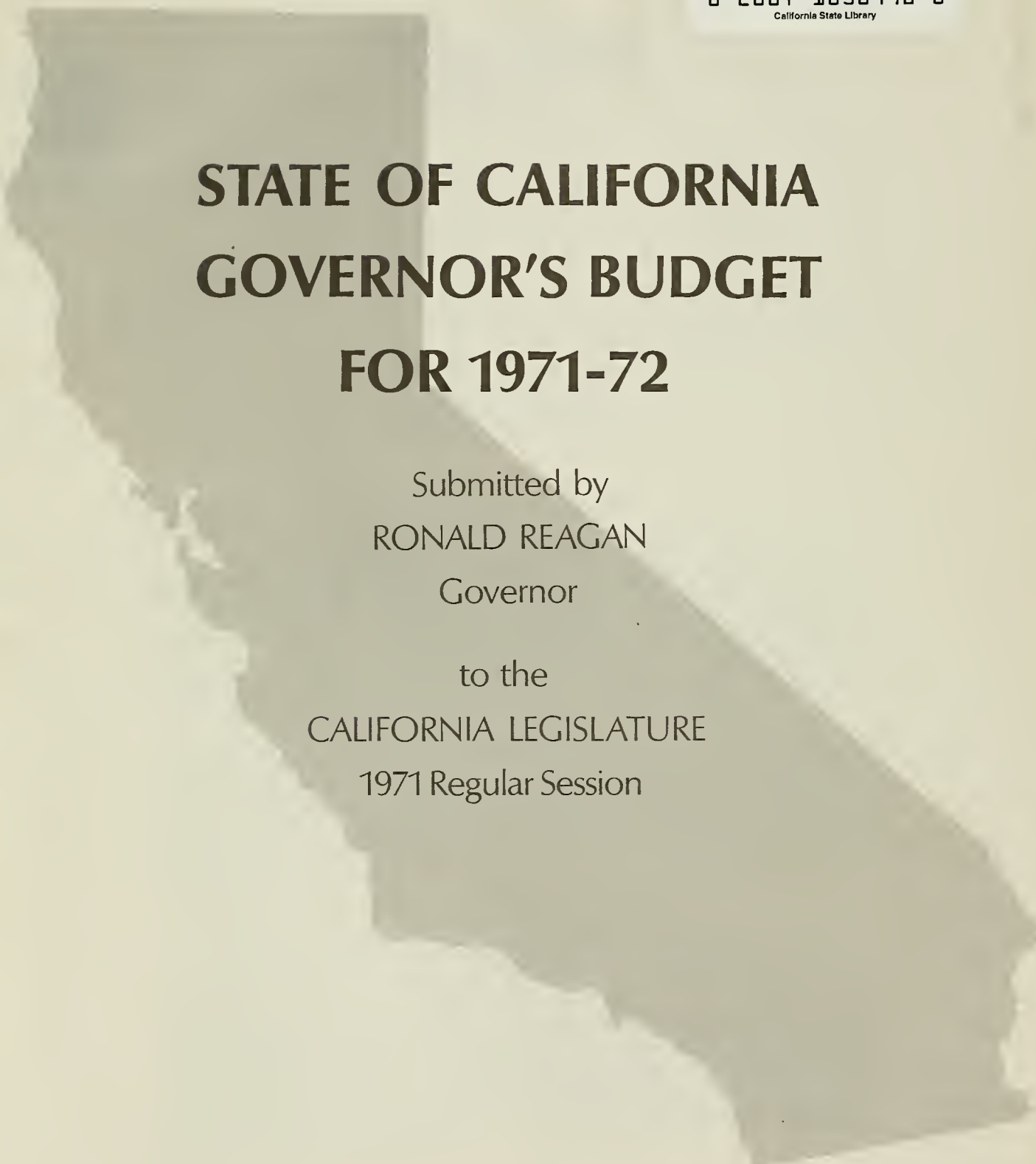
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1971-1972

GOVERNOR'S BUDGET

Ronald Reagan, Governor, State of California



A large, faint, light-gray silhouette of the state of California is positioned in the background, spanning most of the page width and height.

STATE OF CALIFORNIA GOVERNOR'S BUDGET FOR 1971-72

Submitted by
RONALD REAGAN
Governor

to the
CALIFORNIA LEGISLATURE
1971 Regular Session



RONALD REAGAN
GOVERNOR

State of California

GOVERNOR'S OFFICE
SACRAMENTO 95814

February 2, 1971

Budget Message

To the Members of the Legislature of California:

One year ago in my annual budget message, I called attention to the ever increasing amount of taxpayer money going into welfare and Medi-Cal. That trend has not only continued, but accelerated. In June, 1970, it was necessary to advise the Legislature that projected expenditures for these combined programs had already escalated \$65 million above initial expectations, before the fiscal year had commenced.

In November, 1970, it was apparent that even the enlarged June estimates were too low. Severe program deferments and curtailments were necessary to prevent extreme fiscal imbalance. This situation not only is being duplicated in nearly every state in the Union, but the problem has reached crisis stage in countless counties, and at the federal level the programs have been described as a "mess".

Something must be done, and done immediately.

I am presenting to you a budget which projects welfare expenditures for the fiscal year at below the current level.

Without prompt and affirmative action on all our parts, the inevitable choice lies between huge tax increases every year, and the complete elimination of countless worthwhile services our citizens have a right to expect from state and local government. We can take the easy path toward ruinous and confiscatory taxation, or we can elect the more difficult alternative of bringing the programs under control.

I have stressed countless times and will repeat again that we are not endeavoring to deprive the truly needy of the shelter, food and clothing necessary to sustain them through their temporary hardship. But we are firm in our resolve to strike from the welfare rolls those individuals and families who are employed, who are paid a living wage, and who find their ways to taxpayer generosity only because of the manner in which some of the laws are written. In order that the truly needy may have enough, we must rewrite our laws to eliminate those who are less than needy.

The budget which I am presenting can be balanced without any other legislation than that contained in the budget bill. However, I believe there is a better course which will more clearly reflect the generosity of the average Californian. This can be accomplished by sweeping welfare and Medi-Cal reform legislation. Shortly after this budget is placed in your hands, I will suggest specific programs to accomplish this goal.

There are a number of other areas in this budget worthy of special comment, and I shall set them forth.

Higher Education

For four years we have afforded higher education one of the highest priorities in our budgets. Total dollars available for higher education in the year I became Governor approximated \$415 million. In the current year it will exceed \$668 million. This 60% increase has outstripped the increase in enrollments and has also enabled higher education to keep abreast of rising inflationary costs.

Educational institutions traditionally submit budget requests which reflect many things they would like to do. It is a tribute to our educators that they express their goals and aspirations as definite requests. However, in a time of acute revenue shortage, there is a great deal which education can do to economize; steps which have not been taken within the past four years. I hasten to add that this is not a condition unique to California. Public and private universities and colleges across the nation are tightening their belts.

I am recommending that the budget for the University be held at current levels and the State Colleges increased approximately \$6 million. Both units are planning on enrollment increases.

It has long been considered customary that professors in the State College system teach twelve classroom hours per week and that those in the University teach nine. During the affluent decades of the 50's and 60's, it became common practice to recruit faculty by offering substantially reduced teaching loads in favor of research and other activities. Our studies of both the University and Colleges have shown clearly that the average teach-

ing load has dropped substantially below the norms which California citizens have grown to expect. In addition, the acute shortage of faculty which to some degree prompted the reduction in teaching load as a recruiting device has now ended. In fact, the pendulum has swung the other way and we have substantial numbers of potential professors who are unable to find employment.

In view of these circumstances, it would be grossly unfair to all other areas of state government not to expect higher education to accept its full share of the burden. We are confident that the budget we are proposing, despite enrollment increases and inflation, will permit both major segments of higher education to meet California's education needs in exemplary fashion. The budget will require an increased teaching load on the part of faculty in both segments, but it still will not bring the average teaching load above those standards which have been considered the norm. With proper administration, it will be quite possible to admit all qualified California applicants within the monies made available herein.

Local School Apportionments

The money allocated for local schools is very largely determined by statutory formulas. Last year the Legislature and the Executive Branch, working cooperatively, were able to increase the amount available for local schools by \$88 million. Technically, this was a one-year increase only and it was not necessary to place it in the budget for the coming year. Despite the State's serious financial problems, I have made sure that this substantial increase in funds is carried forward.

Salaries

We have a dedicated and effective group of civil servants. As California has grown and progressed, the numbers of such employees have correspondingly increased, and their efforts have been rewarded with substantial pay increases. During my first four years, for example, the employees received pay increases which totaled 20%. In addition, nearly half of our employees receive each year a merit salary increase of 5%, a condition which will continue during the budget year.

For the past ten years, pay increases have averaged about 5% each year, a total which exceeds the cost of living rise during the same period.

The Personnel Board did not recommend a general pay increase this year, but did suggest areas in which specific classes of employees might be raised. Just as in any family, there are years in which it is simply not possible to do all that might be desired. With unemployment much higher than we would like

and thousands of Californians vigorously seeking employment, many of them anxious to work at any job at any living wage, our state revenues are down.

Therefore, it is not possible to include a pay raise for employees in this budget. We are, however, suggesting a package of benefits which employees have consistently requested. These include unemployment insurance, a differential of night pay, and a differential for overtime work, all of which are funded in the budget. In addition, as promised last year, we are recommending the funding of an additional \$2 per employee per month as the State's share of health insurance, bringing the total per employee to \$12 per month.

Capital Outlay

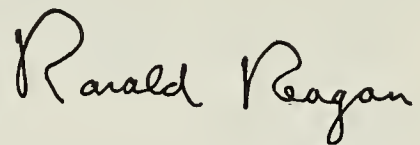
California's capital outlay needs have traditionally been met through a combination of bond funds and some incremental additions in the annual budget. Recently, the Regents of the University have increased educational fees and for the coming year plan to apply these monies to capital projects.

If the Legislature grants the request of the Trustees of the State Colleges to increase fees, it is highly probable some portion would be earmarked for building.

Currently California's bonds are selling well and highly desired water treatment facilities, recreational improvements around reservoirs, community college enlargements, as well as some park projects and funds for veterans loans, should be successfully financed by this means.

California faces grave financial problems. As I indicated in my State of the State message, their proper solution can only come about through the cooperative efforts of the Legislative and Executive branches. California's citizens will be looking to us in the months ahead.

With this pledge of cooperation in mind, I transmit to you the Budget for the State of California for the fiscal year commencing July 1, 1971 and ending June 30, 1972.


Governor

DEPARTMENT OF FINANCE

SACRAMENTO



OFFICE OF THE DIRECTOR

Letter of Transmittal

Governor Reagan:

Without doubt each Finance Director feels that the budget he is just completing for transmittal to the Governor represents the most difficult budget in the State's history. Certainly that feeling was held by many in the Department of Finance this year.

At the outset it was apparent that requests for expenditures were pyramiding far beyond available revenues. All segments of government were cautioned about the need for extreme economy. Budgets were scrutinized carefully at many levels prior to their presentation to you.

I cannot recall any segment of state government which did not realize the fiscal problems which confront us, nor any segment which did not cooperatively seek to hold down expenditures. Of course, all budgets represent compromise and this is no exception. There are numerous areas of government that would still prefer to see their individual allocations increased, even at the expense of some other area. This is entirely normal and represents the need which any individual operating unit can see, sometimes without a broad comprehension of similar needs or even more urgent problems that may exist elsewhere.

The current year's budget is a large and unwieldy volume, difficult to carry and confusing to use. We have, therefore, revised and streamlined the format in an effort to make it more useful, especially for those members of legislative committees who need to refer to it so frequently.

In accordance with Article IV, Section 12 of the State Constitution, I have the honor to submit to you the Budget of the State of California for the fiscal year commencing July 1, 1971 and ending June 30, 1972.

A handwritten signature in black ink, reading "Verne Orr", written over a horizontal line.

VERNE ORR
Director of Finance

February 2, 1971



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TABLE OF CONTENTS

	Page		Page
Governor's Budget Message	III	Storm and Flood Damage Repair	55
Director of Finance's Letter of Transmittal	VII	Earthquake Damage Repair	56
Schedule 1. General Budget Summary	A-3	Senior Citizens Property Tax Assistance	56
Schedule 1-A. General Fund Surplus Available for Ap- propriation	A-4	Personal Property Tax Relief	57
Schedule 1-B. General Fund—Statement of Financial Condition	A-5	Homeowners' Property Tax Relief	57
Expenditure Comparison, Chart 1	A-6	Bond Interest and Redemption	58
Revenue Comparison, Chart 2	A-7	Payment of Interest on General Fund Loans	59
Executive Organization, Chart 3	A-8	Augmentations for Salary Increases	60
1971-72 Program Expenditures	A-11	Reserve for Contingencies	61
Table 1. Expenditures by character and source of funds	A-12	Legislative Claims	61
Table 2. Personnel man-years and salary costs	A-12	Shared Revenues	62
General Government Summary	A-13	Unallocated (Capital Outlay)	62
Agriculture and Services Summary	A-17		
Business and Transportation Summary	A-19	Agriculture and Services	
Resources Summary	A-21	Department of Agriculture	65
Human Relations Summary	A-27	District Agricultural Associations	69
Education Summary	A-33	Assistance to County Agricultural Fairs and Citrus Fruit Fairs	70
Capital Outlay Program Summary	A-39	Salaries of County Agricultural Commissioners	
Revenue Estimates	A-41	Assistance to Cities and Counties for Land under Contract Department of Agriculture (Capital Outlay)	
		Poultry Improvement Commission	71
General Government		Department of Commerce	71
Legislature	1	Department of Consumer Affairs	72
Legislative Counsel Bureau	2	Board of Control	76
Law Revision Commission	3	State Exposition and Fair Executive Committee	76
Commission on Uniform State Laws	4	State Fire Marshal	78
Contributions to Legislators' Retirement Fund	4	Franchise Tax Board	79
Judicial (Supreme Court, Appellate Courts and Judicial Council)	5	Department of General Services	80
Commission on Judicial Qualifications	7	Capital Building and Planning Commission	82
Salaries of Superior Court Judges (Local Assistance)	8	State Personnel Board	83
Contributions to Judges' Retirement Fund	8	Public Employees' Retirement System	85
Contributions to Judges' Retirement Fund for Justices of the Supreme and Appellate Courts	9	State Teachers' Retirement System	87
Governor's Office	9	Department of Veterans Affairs	89
Secretary for Agriculture and Services	10		
Secretary for Business and Transportation	11	Business and Transportation	
Secretary for Human Relations	12	Department of Alcoholic Beverage Control	93
Secretary for Resources	13	Alcoholic Beverage Control Appeals Board	94
Office of Emergency Services	14	Banking Department	95
Office of Intergovernmental Management	17	Department of Corporations	97
Office of Planning and Research	18	Department of Housing and Community Development	98
Lieutenant Governor's Office	19	Department of Insurance	99
Council on Intergovernmental Relations	21	Riot and Civil Disorders Insurance	100
Environmental Quality Study Council	23	Department of Real Estate	100
Intergovernmental Board on Electronic Data Processing	24	Department of Savings and Loan	102
Commission of the Californians	25	Office of Traffic Safety	103
Office of Management Services	26	Office of Transportation Planning and Research	104
Bicentennial Celebration Commission	26	Special Transportation Services and Studies	105
Advisory Commission on Marine and Coastal Resources	26	Department of Aeronautics	106
State Office of Planning	28	Department of the California Highway Patrol	108
Department of Justice	28	Department of Motor Vehicles	111
Commission on Peace Officers' Standards and Training	30	Department of Public Works	115
Council on Criminal Justice	31	Southern California Rapid Transit District (Local As- sistance)	117
California Crime Technological Research Foundation	32		
Assistance to Counties for Public Defenders	33	Resources	
Administration and Payment of Tort Liability Claims	33	Special Resources Services and Studies	121
Provision for Settlement of Pending Litigation	34	Air Resources Board	122
Aid to Victims of Crimes of Violence	34	California Advisory Committee	124
State Controller	35	California-Nevada Interstate Compact Commission	124
Board of Equalization	37	Colorado River Board	125
Secretary of State	39	Department of Conservation	127
Heritage Preservation Commission	40	State Lands Division	131
State Treasurer	41	Department of Fish and Game	133
Department of Finance	42	Wildlife Conservation Board	136
Commission on Government Organization and Economy	43	Klamath River Compact Commission	137
Commission on Interstate Cooperation	44	Department of Navigation and Ocean Development	138
Military Department	45	Department of Parks and Recreation	144
Public Utilities Commission	48	Reclamation Board	165
Advisory Commission on the Status of Women	49	San Francisco Bay Conservation and Development Com- mission	167
Arts Commission	50	Department of Water Resources	168
Horse Racing Board	51	State Water Resources Control Board	176
Board of Pilot Commissioners for Harbor and San Diego	51		
Board of Pilot Commissioners for the Bays of San Fran- cisco, San Pablo, and Suisun	52	Human Relations	
Board of Harbor Commissioners for Humboldt Bay	53	Human Relations Agency, Special Services	181
Personal Services Not Elsewhere Reported	53	Mental Retardation	183
Refunds of Taxes, License and Other Fees	54	Department of Corrections	185
		Department of the Youth Authority	190

TABLE OF CONTENTS—Continued

Human Relations—Continued	Page		Page
Department of Health Care Services	196	Schedule 2. Comparative Statement of Revenues	B-1
Department of Human Resources Development	204	Schedule 3. Comparative Statement of Expenditures	B-3
Advisory Commission on Indian Affairs	211	Classification of Funds in the Treasury	B-13
Job Development Corporation Law Executive Board	212	Schedule 4. Summary of Fund Condition by Funds	B-15
Department of Industrial Relations	214	Schedule 5. Statement of Balances in other Treasury Funds	B-18
Department of Mental Hygiene	220	Treasury Funds for which no detailed transactions are reported in the Budget	B-21
Department of Public Health	227	Schedule 6. Comparative Statement of Expenditures of Federal Aid	B-23
Department of Rehabilitation	238	Schedule 7. Summary of Proposed Expenditures	B-28
Department of Social Welfare	242	Schedule 8. Comparative Statement of Expenditures Authorized	B-30
Workmen's Compensation Insurance	246	Schedule 9. Recconciliation of the Changes from the Previous Budget Estimates	B-33
Workmen's Compensation Benefits for Subsequent Injuries	247	Schedule 10. Statement of Bonded Debt	B-35
Workmen's Compensation for Disaster Service Workers	247	Schedule 11. Capital Outlay. Comparative Statement of Expenditures	B-36
Education		Schedule 12. Capital Outlay. Comparative Statement of Expenditures for Federal Aid	B-41
Educational Research Commission	251	Schedule 13. Capital Outlay. Summary of Proposed Expenditures	B-42
Department of Education	252	Schedule 14. Capital Outlay. Comparative Statement of Expenditures Authorized	B-44
Contributions to Teachers' Retirement Fund	264	Schedule 15. Capital Outlay. Reconciliation of Changes from Previous Budget Estimates	B-45
Debt Service on Public School Building Bonds	265	Index	B-47
School Building Construction	266		
Coordinating Council for Higher Education	267		
Western Interstate Commission on Higher Education	268		
Augmentation for Higher Education Capital Outlay	269		
University of California	270		
Hastings College of Law	283		
Trustees of the California State Colleges	287		
Maritime Academy	299		
Board of Governors of the Community Colleges	301		
State Scholarship and Loan Commission	304		
Higher Education Opportunity Programs	306		

Schedule 1

GENERAL BUDGET SUMMARY ¹

General Fund

	Reference to schedule	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
PRIOR YEAR BALANCES AVAILABLE ²				
Reserve for Unencumbered Balances of Continuing Appropriations -----	4	\$85,011,374	\$130,023,090	\$11,818,314
Surplus Available for Appropriation -----	4	553,631,342	383,022,049	223,822,694
Total Prior Year Balances Available -----	4	\$638,642,716	\$513,045,139	\$235,641,008
CURRENT INCOME (Revenues and Transfers) ³ -----	2	4,330,484,477	4,613,091,617	5,039,129,972
Total Available -----		\$4,969,127,193	\$5,126,136,756	\$5,274,770,980
EXPENDITURES AND CONTINUING APPROPRIATIONS				
State Operations -----	3	\$1,315,000,916	\$1,390,426,208	\$1,410,731,769
Local Assistance -----	3	3,046,458,102	3,422,526,619	3,454,717,515
Capital Outlay -----	3	94,623,030	77,542,921	9,987,000
Total Expenditures ⁴ -----	3	\$4,456,082,054	\$4,890,495,748	\$4,875,436,284
Reserve for Unencumbered Balances of Continuing Appropriations -----	4	130,023,090	11,818,314	59,900
Total Expenditures and Continuing Appropriations -----		\$4,586,105,144	\$4,902,314,062	\$4,875,496,184
SURPLUS AVAILABLE FOR APPROPRIATION -----	4	\$383,022,049	\$223,822,694	\$399,274,796
Reserve for Working Capital ⁵ -----	4	238,242,091	348,254,000	397,318,000
Unrestricted Surplus -----	4	144,779,958	-124,431,306	1,956,796

Special Funds

PRIOR YEAR BALANCES AVAILABLE				
Reserve for Unencumbered Balances of Continuing Appropriations -----	4	\$61,259,155	\$196,845,931	\$166,721,592
Surplus Available for Appropriation -----	4	301,971,588	59,798,864	118,686,714
Total Prior Year Balances Available -----	4	\$363,230,743	\$256,644,795	\$285,408,306
CURRENT INCOME (Revenues and Transfers) -----	2	1,412,272,087	1,431,721,431	1,497,724,421
Total Available -----		\$1,775,502,830	\$1,688,366,226	\$1,783,132,727
EXPENDITURES AND CONTINUING APPROPRIATIONS				
State Operations -----	3	\$345,630,549	\$395,170,184	\$407,439,002
Local Assistance -----	3	650,839,715	699,429,938	737,168,471
Capital Outlay -----	3	522,368,989	308,357,798	350,047,917
Total Expenditures -----	3	\$1,518,839,253	\$1,402,957,920	\$1,494,655,390
Reserve for Unencumbered Balances of Continuing Appropriations -----	4	196,845,931	166,721,592	171,806,856
Total Expenditures and Continuing Appropriations -----		\$1,715,685,184	\$1,569,679,512	\$1,666,462,246
Transfer to Nongovernmental Cost Fund ⁶ -----	4	-18,782	-	-
SURPLUS AVAILABLE FOR APPROPRIATION -----	4	\$59,798,864	\$118,686,714	\$116,670,481

¹ The General Budget Summary includes the revenues and expenditures of all state funds and activities that reflect the cost of state government. The transactions involving bond funds, federal funds, and other nongovernmental cost funds are excluded.

² Yearend surplus and reserves reported by the State Controller for the 1968-69 fiscal year were \$622,157,306. Additional prior year adjustments of \$16,485,410 have increased that total to \$638,642,716.

³ Income for the General Fund includes revenues which were originally deposited in a special fund and subsequently transferred to the General Fund, and transfers of surplus from special funds. Such amounts are reduced from special fund revenues.

⁴ Expenditures from the General Fund includes amounts transferred to special funds and expenditures from special funds are reduced by a like amount.

⁵ Chapter 574, Statutes of 1970, requires the State Controller to reduce the Surplus Available for Appropriation by a Reserve for Working Capital beginning with the 1969-70 fiscal year. This reserve, in effect, limits the unrestricted surplus to the actual cash balance at the end of the fiscal year. Although not required by statute, this reserve is projected for the current and budget year on the same principle. Prior to the 1969-70 fiscal year there was no statutory authority for a Reserve for Working Capital and the State Controller reported only Surplus Available for Appropriation.

⁶ Chapter 1249, Statutes of 1969, abolished the Yacht and Ship Brokers Fund and transferred to the balance to the Harbors and Watercraft Revolving Fund—a nongovernmental cost fund.

Schedule 1-A

GENERAL FUND SURPLUS AVAILABLE FOR APPROPRIATION JUNE 30, 1971

RECONCILIATION OF THE CHANGES FROM THE PREVIOUS BUDGET ESTIMATES

	<i>1970-71 Governor's Budget Previous Estimate</i>	<i>1971-72 Governor's Budget Revised Estimate</i>	<i>Adjustment of Surplus</i>
1969-70 Fiscal Year			
Income -----	\$4,342,267,442	\$4,330,484,477	-\$11,782,965
Outgo:			
State operations -----	1,338,515,630	1,315,000,916	23,514,714
Local assistance -----	3,096,162,748	3,046,458,102	49,704,646
Capital outlay -----	181,451,371	94,623,036	86,828,335
Expenditures -----	\$4,616,129,749	\$4,456,082,054	\$160,047,695
Prior Year Surplus Adjustments -----	-	\$16,485,410	\$16,485,410
1970-71 Fiscal Year			
Income -----	\$4,706,993,231	\$4,613,091,617	-\$93,901,614
Outgo:			
State operations -----	1,431,962,071	1,390,426,208	41,535,863
Local assistance -----	3,317,210,605	3,422,526,619	-105,316,014
Capital outlay -----	47,715,901	77,542,921	-29,827,020
Expenditures -----	\$4,796,888,577	\$4,890,495,748	-\$93,607,171
Reserve for unencumbered balances of continuing appropriations --	\$2,002,812	\$11,818,314	-\$9,815,502
Reserve for working capital -----	\$228,000,000	\$348,254,000	-\$120,254,000
EFFECT OF REVISED ESTIMATES AS REPORTED IN THE 1971-72 GOVERNOR'S BUDGET -----			-\$152,828,147
GENERAL FUND SURPLUS AVAILABLE FOR APPROPRIATION, June 30, 1971 as estimated in the 1970-71 budget -----			\$28,396,841
GENERAL FUND SURPLUS AVAILABLE FOR APPROPRIATION, June 30, 1971 as estimated in the 1971-72 budget -----			-\$124,431,306

Schedule 1-B
GENERAL FUND
STATEMENT OF FINANCIAL CONDITION ^a
June 30, 1970

ASSETS		LIABILITIES	
Cash		Accounts Payable	
In State Treasury	\$64,340,458	State Operations	\$86,464,062
In Agency Accounts	35,304,131	Local Assistance	124,659,667
Total	\$99,644,589	Capital Outlay	6,052,985
Accounts Receivable—Current		Total	\$217,176,714
Abatements and Reimbursements	\$79,171,080	Due to Other Funds	\$1,548,416
Revenue	415,627,747	Prepayments from Other Funds	3,849,106
Temporary Loans to Other Funds	80,439,500	Other Liabilities	10,157,049
Due from Other Funds	22,608,897	Total Liabilities	15,554,571
Due from Local Government	251,350		
Other Current Accounts Receivable	3,241,109		
Total	\$601,339,683		
Accounts Receivable—Deferred			
Revenue	\$116,803,520	RESERVES	
Due from Other Funds	7,020,030	Uncleared Collections	\$2,538,389
Interfund Building Loans	9,996,571	Other Reserves	606
Due from Local Governments	2,955,520	Reserve for Working Capital	238,242,091
Other Deferred Accounts Receivable	9,925,751	Unencumbered Balance of Continuing Appropriations	130,023,090
Total	\$146,701,392	Total Reserves	\$370,804,176
Less: Reserve for Deferred Accounts Receivable	-146,701,392		
Deferred Charges			
Advances to Counties for Social Welfare	\$43,914,951	SURPLUS	
Prepayment to Other Funds	2,321,836	Unrestricted Surplus	\$144,779,958
Other Deferred Charges	1,094,360	TOTAL LIABILITIES, RESERVES AND SURPLUS	\$748,315,419
Total	\$47,331,147		
TOTAL OPERATING ASSETS	\$748,315,419	State's Investment in Capital Outlay	\$1,519,440,358
General Fund Assets		General Obligations	\$4,701,026,000
Land, Improvements, and Equipment	\$1,519,440,358	Less: Self-Liquidating Bonds	2,385,961,000
Amount to be Provided for Retirement of Long-Term Obligations		Net General Bonded Debt	\$2,315,065,000
Amount to be Provided from Future Revenue and Special Districts	3,163,133,582	Interest Payable in Future Years	848,068,582
Total Amount to be Provided	\$3,163,133,582	Net Total Long-Term Obligations	\$3,163,133,582

^a The data that appears in this statement appears in the report of the State Controller for the year ended on June 30, 1970.

THE EXPENDITURE DOLLAR 1971-72

CALIFORNIA STATE BUDGET

TOTAL

GENERAL FUND

11.1 BUSINESS and TRANSPORTATION .3

1.3 AGRICULTURE and SERVICES 1.1

29.0 HUMAN RELATIONS 37.8

1.8 RESOURCES 1.7

24.8 EDUCATION 31.0

12.0 HIGHER EDUCATION 16.0

10.9 SHARED REVENUE -

5.0 PROPERTY TAX RELIEF 6.6

4.6 OTHER 5.5

100.0%

100.0%

THE REVENUE DOLLAR 1971-72

CALIFORNIA STATE BUDGET

TOTAL

GENERAL FUND

3.1 INHERITANCE and GIFT TAXES 4.0

23.1 PERSONAL INCOME TAX 30.0

1.1 HORSERACING FEES 1.2

16.0 HIGHWAY USER TAX -

2.7 INSURANCE TAX 3.4

9.4 BANK and CORPORATION TAX 12.2

2.0 LIQUOR TAXES and FEES 2.3

3.8 CIGARETTE TAX 3.4

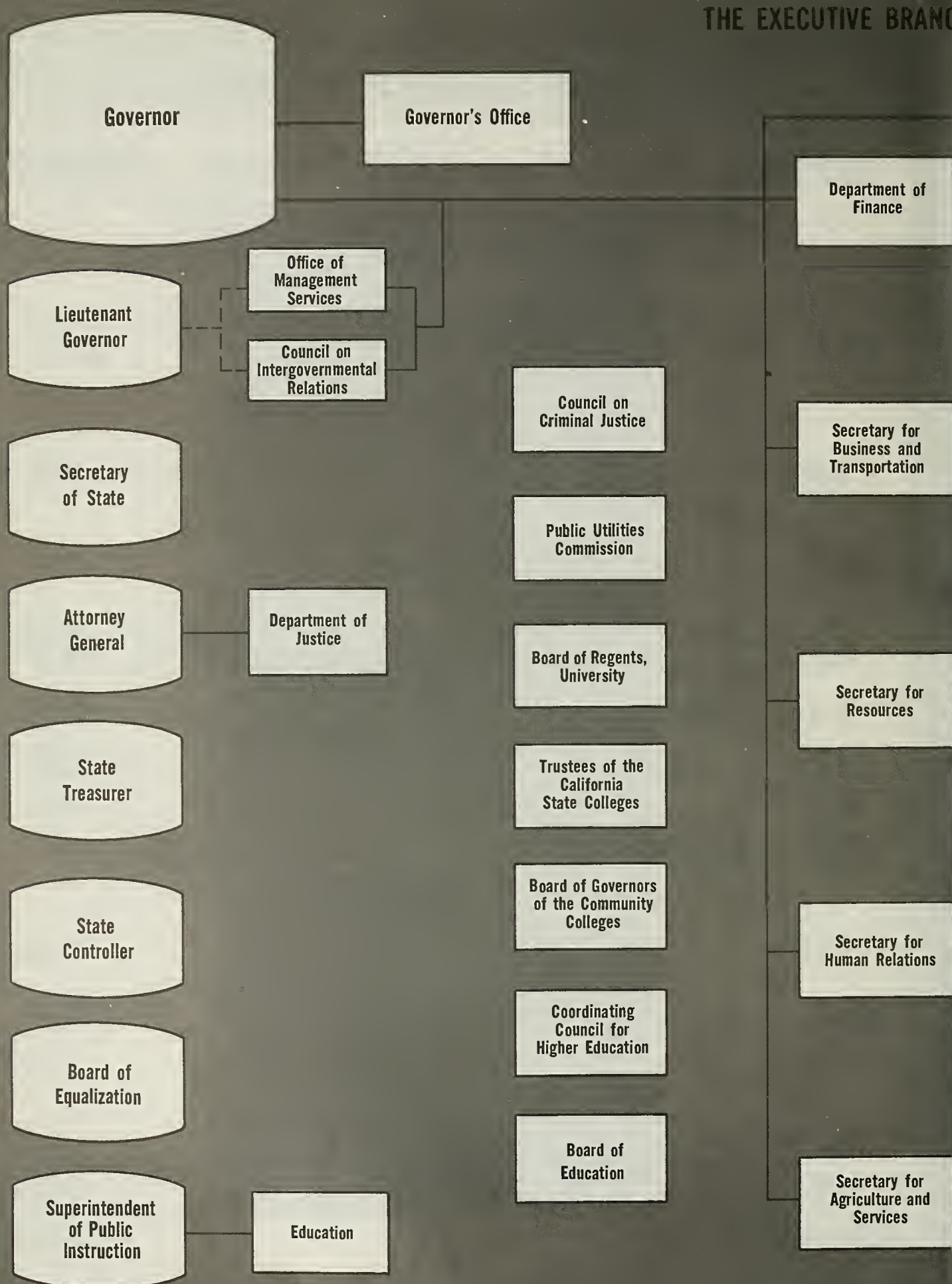
4.0 MOTOR VEHICLE LICENSE FEES -

30.1 SALES TAX 39.7

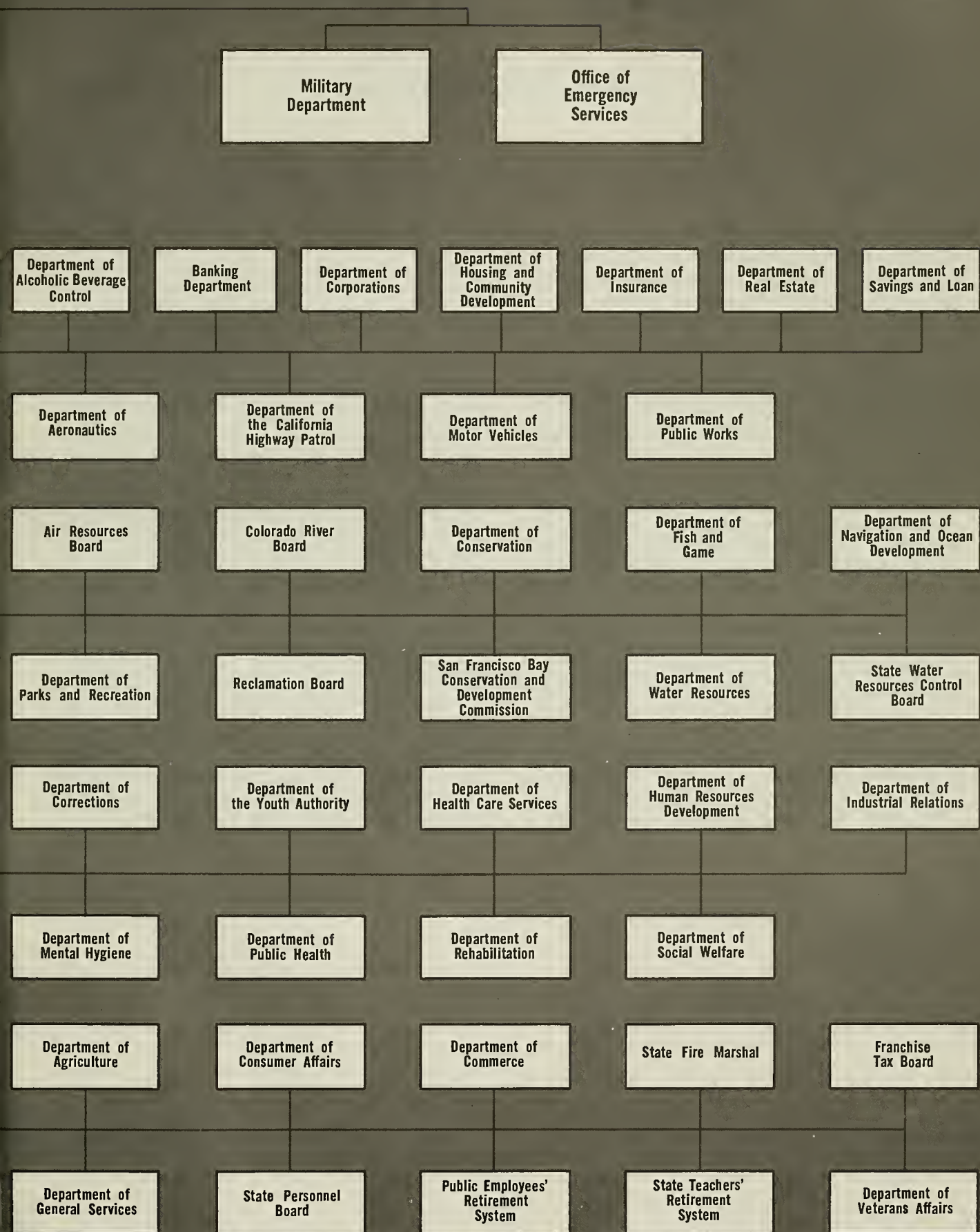
4.7 OTHER 3.8

100.0 %

100.0 %



CALIFORNIA STATE GOVERNMENT



1971-72 Program Expenditures

Format Changes

The traditional budget format has been revised this year in order to present the Governor's Budget in a more consolidated approach and at the same time facilitate its use. The total budget consists of a Governor's Budget and four supplements. The Governor's Budget presents proposed departmental expenditures including capital outlay in a summary format and presents appropriation items by budget bill item number and amount. The entire budget and the budget bill are organized by agency and share the same sequence with the exception of capital outlay which by law must be appropriated by a separate section of the budget bill. Each departmental budget contains a summary of program requirements and a synopsis of workload and administrative changes, as well as a summary by object for the state operations and local assistance portions. Proposed capital outlay expenditures are summarized at the end of each departmental budget.

The four budget supplements are organized by agency and present the complete program budget, capital outlay, salaries and wages detail, and changes in authorized positions documents for each department in the same supplement. In this way all detail related to a department or program is contained in one series of pages in one book to facilitate the consideration of the entire program. Volume I contains the budgets for the general government area and the Agriculture and Services Agency. Volume II contains the Business and Transportation and Resources Agencies. Volume III contains the Human Relations Agency and Volume IV the education area budgets.

This new format should greatly help in the analysis of the budget. The inclusion of the budget bill item number in the Governor's Budget will simplify the reference process between the budget, the budget bill, and the budget analysis.

Allocation Technique Used in Budget Decisions

In this budget, as in the previous budget, the expenditure program was subjected to a stringent review covering the programs themselves and the level of expenditures within programs. Departments were requested to develop budgets at the current year level and further to review each program for potential reductions and to then array the possible reductions by priority. Those departments who felt that they had a need for program augmentations in the budget year were asked to detail the augmentations and rank them by priority also.

Each agency secretary and the director of finance, for those departments which do not come under an agency, then reviewed the departmental budgets in their areas and confirmed the priority items and their designations. The composite evaluation and decisions were then made by the cabinet.

This process served to enforce the reevaluation by each department of all programs under its direction, and to consider each part in comparison to the whole, and propose an allocation of scarce resources in such a manner as to gain the greatest progress toward their overall goal.

TABLE 1
EXPENDITURES BY CHARACTER AND SOURCE OF FUNDING
(IN MILLIONS)

	<i>Actual 1969-70</i>	<i>Estimated 1970-71</i>	<i>Proposed 1971-72</i>	<i>Change from Amount</i>	<i>1970-71 Percent</i>
State Operations:					
General Fund -----	\$1,315	\$1,390.5	\$1,410.8	\$20.3	1.5
Special funds -----	345.6	395.1	407.4	12.3	3.1
Totals, Governmental Cost Funds -----	\$1,660.6	\$1,785.6	\$1,818.2	\$32.6	1.8
Bond funds -----	-	(0.8)	(1.6)	(0.8)	(100.0)
Local Assistance:					
General Fund -----	\$3,046.5	\$3,422.5	\$3,454.7	\$32.2	0.9
Special funds -----	650.8	699.4	737.2	37.8	5.4
Totals, Governmental Cost Funds -----	\$3,697.3	\$4,121.9	\$4,191.9	\$70	1.7
Bond funds -----	(5.4)	(10.5)	(51.1)	(40.6)	(386.7)
Capital Outlay:					
General Fund -----	\$94.6	\$77.5	\$9.9	-\$67.6	-87.2
Special funds -----	522.4	308.4	350.1	41.7	13.6
Totals, Governmental Cost Funds -----	\$617	\$385.9	\$360	-\$25.9	-6.7
Bond funds -----	(321.5)	(409.5)	(315.9)	(-93.6)	(-22.8)
TOTALS:					
General Fund -----	\$4,456.1	\$4,890.5	\$4,875.4	-\$15.1	-0.3
Special funds -----	1,518.8	1,402.9	1,494.7	91.8	6.5
Totals, Governmental Cost Funds -----	\$5,974.9	\$6,293.4	\$6,370.1	\$76.7	1.2
Bond funds -----	(326.9)	(420.8)	(368.6)	(-52.2)	(-12.4)
GRAND TOTALS, ALL FUNDS -----	\$6,301.8	\$6,714.2	\$6,738.7	\$24.5	0.4

TABLE 2
PERSONNEL MAN-YEARS AND SALARY COST ESTIMATES

FUNCTION	<i>1969-70 fiscal year</i>		<i>1970-71 fiscal year</i>		<i>1971-72 fiscal year</i>	
	<i>Personnel man-years</i>	<i>Cost</i>	<i>Personnel man-years</i>	<i>Cost</i>	<i>Personnel man-years</i>	<i>Cost</i>
General Government:						
Legislative -----	243.3	\$3,486,216	255.9	\$3,914,266	253.8	\$4,137,006
Judicial * -----	723.2	14,467,350	783.8	16,428,863	789.8	17,200,058
Executive -----	245.3	3,129,742	299.1	3,734,271	301.2	3,926,766
General Administration -----	6,140.9	62,685,363	6,287.8	67,444,831	6,325.5	68,959,698
Miscellaneous -----	33.9	310,583	40.8	368,552	43.6	426,056
Unallocated -----	-	-	-	-	-	11,077,000
Subtotals, General Government -----	7,386.6	\$84,079,254	7,667.4	\$91,890,783	7,713.9	\$105,726,584
Agriculture and Services -----	10,291.7	92,781,128	10,587.3	99,284,138	10,031.7	94,824,415
Business and Transportation -----	34,042.8	328,279,003	34,777.4	352,333,150	35,068.3	355,852,904
Resources -----	11,227.1	110,182,922	11,020.2	114,554,639	10,240.5	108,811,432
Human Relations -----	47,390.4	438,741,034	48,378.6	474,374,096	46,823.9	468,072,569
Education:						
Education -----	2,181.1	21,387,299	2,380	24,350,138	2,387	25,093,438
Higher Education -----	67,063.6	661,886,508	70,253.7	723,260,122	70,271.2	742,668,131
Totals -----	179,583.3	\$1,737,337,148	185,064.6	\$1,880,047,066	182,536.5	\$1,901,049,473
CLASSIFICATION						
Statutory -----	327.5	\$7,870,747	333.6	\$8,558,139	329.8	\$8,761,647
Exempt * -----	1,228.6	20,080,422	1,281.4	22,291,380	1,286.9	24,081,120
Civil Service -----	111,178.7	1,049,792,156	113,474.2	1,128,992,963	110,926.3	1,128,689,615
University of California -----	39,215	377,745,580	39,995.6	405,039,099	40,090.9	413,983,671
Auxiliary facilities, University of California -----	1,860.3	10,300,481	1,875.6	10,392,700	1,913.6	10,603,258
Hastings College of Law -----	77	1,112,585	106.7	1,492,011	112.7	1,601,567
State colleges and trustees -----	25,111.7	267,431,627	27,323	299,782,568	27,165.7	309,623,169
Other state college facilities -----	584.5	3,003,550	674.5	3,498,206	710.6	3,705,426
Totals -----	179,583.3	\$1,737,337,148	185,064.6	\$1,880,047,066	182,536.5	\$1,901,049,473

* Includes superior court judges' salary and man-year data.



General Government

Under this heading are programs not related to an agency. These include the constitutional officers and boards, and various other boards, commissions and departments. Also included under this heading are the judicial and legislative branches of government.

Tax Relief

The establishment of a program to provide property tax relief has been and continues to be a major concern of this administration. The first steps in establishing a program began in 1967 with the Senior Citizens' Property Tax Relief program. Homeowners' Property Tax Relief and Personal Property Tax Relief were added in 1968. The Personal Property Tax Relief program was increased in 1969.

These programs represent a broad-based effort with the objective of providing meaningful property tax relief. Expenditures, in terms of both direct payments to individuals and payments to local jurisdictions to replace tax loss, will total approximately \$343.8 million for the 1971-72 fiscal year. This represents an increase of approximately \$27 million over the current year.

Modifications to the Property Tax Relief program will be considered in the 1971 legislative session.

The following is a short discussion of each of the property tax relief programs:

Senior Citizens' Property Tax Relief

Chapter 930, Statutes of 1967, established the first step in providing property tax relief. This program provides direct payment of property tax refunds to senior citizens with limited incomes. Expenditures for this program are estimated to be \$10 million for the 1971-72 fiscal year.

Homeowners' Property Tax Relief

Chapter 1, Statutes of 1968, 1st Extraordinary Session broadened the property tax relief program to include general individual homeowners. The first year of the program provided a direct payment of \$70 for each qualified homeowner. The program now provides a \$750 property tax exemption of the total assessed

valuation which is administered by the local county assessors. Expenditures for this program are estimated to be \$235 million for the 1971-72 fiscal year.

Personal Property Tax Relief

Chapter 1, Statutes of 1968, First Extraordinary Session also provided the first step in providing an exemption for business inventories. This bill provided an exemption of 15 percent of the assessed value of business inventories. This local tax loss was to be directly reimbursed from state funds.

Chapter 1526, Statutes of 1969, increased this exemption, beginning in the 1970-71 fiscal year, to 30 percent of the assessed value of business inventories. Expenditures for this program for the 1971-72 fiscal year are estimated to be approximately \$79 million which will be transferred to a special fund established for this purpose. The reimbursement to local jurisdictions to cover the actual tax loss is estimated to be approximately \$98.8 million.

Salary Increase Program

The 1971-72 budget provides support for the following programs: unemployment insurance, premium pay for overtime and night-shift differential.

Unemployment Insurance

For those state civil service employees with permanent or probationary status who are laid off because of budget reductions or other reasons of economy, an unemployment insurance program is proposed which will provide unemployment compensation benefits on the same terms and conditions as are specified in the Unemployment Insurance Code for other individuals. Enabling legislation will be introduced in the 1971 Legislature.

Premium Pay for Overtime

There are about 40,000 state employees who are not covered by the terms of the Fair Labor Standards Act but who would be entitled to premium overtime pay

by private industry standards. The University of California is already under this extended program. The funds budgeted are required to bring civil service and related classes and those classes whose salaries are set by the Trustees of the State Colleges into conformity. The proposed program to extend the premium pay for overtime is dependent upon passage of legislation authorizing such payments.

Night Shift Differential

This program is proposed to extend the payment of night-shift differential to additional classes of state employees whose counterparts in private industry receive such payments. The University of California is already under this extended program. The funds are required to bring civil service and related classes and those classes whose salaries are set by the Trustees of the State Colleges into conformity.

Judicial Salary Increase

With the passage of SB 1123 (Chapter 1507, Statutes of 1969), judges became entitled to an annual salary adjustment effective on September 1 of each year.

Five thousand dollars is proposed effective September 1, 1971, in lieu of the adjustment authorized in the above chapter.

Board of Equalization

During the past year, the Board of Equalization provided the planning and implementing for the collection of the transaction and use tax for San Francisco Bay Area Rapid Transit (BART) and Southern California Rapid Transit District (SCRTD).

BART became operational on April 1, 1970 and will be an on-going program. SCRTD became operational on July 1, 1970 and terminated after a period of six months.

Office of Emergency Services

Chapter 1454 of 1970 repealed the California Disaster Act and enacted the California Emergency Services Act which redefines and reaffirms the responsibilities of the Office of Emergency Services (formerly the California Disaster Office). In line with this legislation, the California Emergency Plan is undergoing complete revision by this office. Necessary provisions for subsequent upgrading of all related annexes and supporting plan elements are programmed. These will provide guidance and assistance to state agencies and local governments in the preparation of emergency services plans, thus insuring consistency in planning at all levels of government.

In each recent year California has experienced disastrous floods and fires, the latter often resulting in abnormal damage of watershed areas and adjacent communities during heavy rainfall conditions. The ever-increasing population spread adds to the hazard potential. As the conduit for federal assistance for natural disaster grants and federal agency support, this office has enabled California to lead the nation in the amount of federal money expended for declared major disasters. Nearly every county has been a bene-

fiary under widespread flood and fire disasters. The office is currently engaged in programs that will further broaden the base for such support and grant programs in California. This will include formulation of a more comprehensive disaster plan to provide assistance to individuals and private enterprises not presently covered by existing programs.

Military Department

The Military Department is responsible for organizing and directing the activities of the California National Guard. The Army National Guard consists of approximately 22,500 officers and men in full operational readiness, assigned to 158 units located in 111 communities from Oregon to the Mexican border. The Air National Guard consists of approximately 5,000 officers and men assigned to 48 installations. The National Guard is subject to federal mobilization in time of national emergency, but otherwise is available to the Governor for military support of civil authority anywhere in California in the event of natural or war-caused disasters, civil disturbances or other emergencies.

Camp Roberts, closed by the active army and held in caretaker status, has been leased to the Military Department to provide a year-round training site to meet federal training requirements for both annual and weekend training. The total funding required to operate the training site will come from federal sources.

The Military Department also operates the California Cadet Corps Program by prescribing rules and regulations pertaining to the organization of cadet units and training to be conducted, provides supplies, uniforms, manuals and conducts inspections. The schools provide facilities, pay salaries of commandants of cadets and guide and control their respective units. The Department of Education coordinates with the Military Department by determining that commandants are educationally qualified and maintaining liaison through a Department of Education representative on the Advisory Committee for the California Cadet Corps.

Lieutenant Governor

In October 1969, the Governor designated the Lieutenant Governor as the Chief Executive Officer for Intergovernmental Relations. This added responsibility provides for the centralized coordination of the functions of several independent state agencies and activities and supports the Governor's Cabinet system for reviewing and establishing statewide policy. Under this relationship the Lieutenant Governor provides the coordinating link for a unified approach to the planning for the program areas of the other state agencies reporting through the Lieutenant Governor. Other program areas include electronic data processing, environmental quality, marine and coastal resources, model cities, and intergovernmental management.

The State Office of Planning reporting through the Lieutenant Governor in 1970-71, was abolished in November 1970 by Chapter 1534 which also established a new Office of Planning and Research within the Governor's Office.

The Lieutenant Governor is responsible for seven independent agencies with a total program cost of approximately \$1.6 million for 1971-72.

Finance

The Director of Finance serves as the Governor's chief advisor in fiscal and policy matters. This role is carried out through two programs: (1) the programming and budgeting system; (2) fiscal and program compliance.

In an effort designed to streamline high-expenditure areas, special projects will be emphasized during the current year and budget year. These projects will employ combined task forces of finance personnel, representatives of the departments involved and outside help in an effort to identify areas where savings may be made and where efficiencies may be realized.

The trend established in the current year in the compliance activities will be expanded. Greater emphasis will continue to be placed in the program review as contrasted to fiscal review. In addition, we plan to strengthen our effort on analysis of bills being considered by the Legislature.

The programming and implementation of the budget data system is scheduled for completion during fiscal year 1970-71 in conjunction with the development of a shared computer facility in the Department of General Services. This system will be run in parallel with the existing system during fiscal year 1971-72 before it will be declared operational.

Judicial

Central screening staffs have been added in the First, Second, and Third District Court of Appeals and one attorney has been added to the Fourth District Court of Appeals to increase the productivity of these courts. This new program was implemented in November and December of 1970 using the \$150,000 augmentation provided by the Legislature. The added cost of the full year program is \$166,000.

California Council on Criminal Justice

The council proposes a 1971-72 budget commensurate with the amount of federal funds being received. Federal grants are anticipated to increase from \$43 million in 1970-71 to \$75 million in 1971-72; \$100 million is expected in 1972-73.

Significant increases are in the areas of comprehensive and long-range planning, task force support, continuous project monitoring, and fiscal auditing, accounting, and management.



Agriculture and Services

Departments within this area are a grouping of diverse, independent and complex programs. They are primarily concerned with: promoting, protecting and developing agriculture; protection of consumers through regulation and licensing of professional individual business services; selected programs involving central administrative operations of the state such as Franchise Tax Board, Personnel Board and General Services.

Department of Agriculture

In preparation for its 1971-72 budget proposal, the Department of Agriculture has arrayed its programs in priority order, carefully reviewed and evaluated each program and its elements, and assigned resources in accordance with the critical needs of the total program structure. In accordance with this review and evaluation, a number of programs were altered within the department.

A budget year adjustment has been made in the Agricultural Pest and Disease Prevention Program to improve the pest detection and identification process. The operation of border inspection stations has been seasonally adjusted and increased emphasis placed upon the implementation of a pest detection survey activity.

Chapter 1571, Statutes of 1970, provided the authority to transfer unrefunded highway gas tax dollars to the Department of Agriculture. These funds will be utilized in 1971-72 to provide emergency pest detection and eradication by the Department of Agriculture and to provide local assistance to counties for county-administered agricultural programs.

In continuing to share everyone's concern for the quality of our environment, the Department of Agriculture will continue active leadership to insure that agriculture's share of responsibility in the fight against pollution is met.

In addition, the department will continue to solicit industry support of program costs wherever possible, particularly where programs are especially beneficial to industry and only indirectly to the general public.

Department of General Services

General Services provides centralized operational support (purchasing, communications, transportation, insurance, facilities planning, printing, duplicating, etc.), property management, maintenance and security for virtually every agency and department of state government.

Additional emphasis by General Services on the state's central records management program has resulted in the greatest reduction of official stored paperwork and records. As a result of the reduction, savings in storage costs alone are expected to average more than \$340,000 this year and even greater savings in the future if the program continues as expected.

Consolidation of the Department of Social Welfare's warehousing functions has begun and will be completed by July 1, 1971. It will result in substantial savings to the state in manpower, warehouse space, and operating expenses. Social Welfare's reproduction and supply services also will be consolidated on or before June 30, 1971. When fully implemented, it will provide an improved level of quality and service at a substantially lower overall cost to the state. Two additional consolidations will be made in 1971-72 involving departmentally operated warehouses in the Sacramento area. Last year's consolidation of Water Resources' huge inventories proved extremely successful from both an economy and efficiency standpoint.

In keeping with the administration's drive for increased governmental efficiency, Data Processing Service Center operations have been expanded to handle new and increasing statewide demands for high speed electronic data processing services. A new Shared Computer Facility (Service Center II) has been added to provide expanded EDP service to the Department of Education and the Department of Finance's Budget Data System as well as other state entities upon request. Service Center I continues to support the departmental requirements as well as providing increased service to the State Treasurer and computer control and monitoring of the State Printing Plant's

sophisticated new Video Composition system. The Office of State Printing is now in the process of testing its new system on legislative journals and histories, original and amended bills, and enrolled versions of bills. Retraining of personnel from linotype printing to the Video Composition is well underway with good initial results. Full conversion from Linotype to Video Composition for all legislative printing is expected by January 1972.

Radio engineering and maintenance service functions of Division of Highways has been consolidated with the Department's Communications Division on a two-year trial basis. Economic advantages of the consolidation appear excellent to date. Eight positions authorized for the two organizations and eight radio maintenance shops established throughout the state have been eliminated.

Anticipated reduction of field technician overhead and travel time and the elimination of duplicated administrative functions will further add to the economies and efficiencies. In addition to the improved level of service to all state agencies, the estimated savings totals approximately \$150,000.

The changing and shifting needs of state government are continuing to result in workload decreases within the Office of Architecture and Construction for the 1971-72 budget year. In keeping with this reduced workload, OAC will appropriately trim its staff to maintain the most efficient, economical operation possible.

Department of Consumer Affairs

(Formerly the Department of Professional and Vocational Standards)

The Department of Consumer Affairs was created by the Governor's Reorganization Plan No. 2 of 1970 and reaffirmed by the Legislature through Chapter 1394, Statutes of 1970.

This department was retitled and partially reconstituted as the Department of Consumer Affairs in keeping with the Governor's program to improve the quality of protection provided consumers. Chapter 1394, also assigns responsibility to the department to receive complaints from consumers concerning (a) unfair methods of competition and unfair or deceptive acts or practices in trade or commerce; and (b) the production, distribution, sale, and lease of any goods and services which may endanger the public health, safety, or welfare.

Newly created regulatory functions within the department and instituted in the current year are the Nursing Home Administrators Licensing Board, the Hearing Aid Dispensers Examining Committee, and a new category of licensing for educational psychologists. Transferred from the Office of the Labor Com-

missioner is the nurses registry function which is an employment or referral agency for licensed nurses.

Other activities were combined or retitled in the current year, and scholarship programs were established from several special funds for nurses and medical students.

Chapter 1327, Statutes of 1970, establishes a certification procedure for physicians' assistants. The impact of this legislation holds long-run promise for the easing of the scarcity of professional medical services—particularly in the more rural areas of the state. This program establishes qualifying standards for the certification of physicians' assistants for the performance of the more routine medical services, such as setting broken limbs and other emergency or temporary medical procedures. These services are similar to those that might be performed by a medical corpsman in the military services.

State Personnel Board

A federally funded Career Opportunities Program has been approved in the current year and extended into 1971-72. This program is responsible for providing leadership and technical assistance to departments in developing increased career opportunities for the disadvantaged.

The program involves (1) identification of existing job opportunities; (2) creating new employment and career opportunities by job restructuring; and (3) the development of personnel policies to facilitate the placement, promotion, and retention of the disadvantaged in state service.

Department of Veterans' Affairs

This department administers programs for the California veteran that include the financing of farm and home purchases, the operation of a home for the aged and disabled veteran, educational assistance, and determination of eligibility for state benefits.

The 1970 Legislature mandated the establishment of a system of member fees at the Veterans' Home. Such a system was implemented effective September 1, 1970. The budget this year reflects the first full-year impact of the fee system. An additional reduction in General Fund support of the Veterans' Home is also reflected in both the current and budget years due to an unanticipated increase in federal support.

Teachers' Retirement System

The 1971-72 administrative budget reflects augmentations for the past service verification program as well as the monthly reporting program. Two legislative bills, AB 1220 and AB 1646, passed in the 1970 session, have enabled the system to significantly improve its administrative program.



Business and Transportation

The two broad program areas under this heading represent: (1) the state's interest in promoting sound business practices to the end that the public is protected from economic loss and illegal or unethical business practices; (2) those departments concerned with the efficient, rapid, and safe movement of people and goods throughout the state.

Business

Net expenditures for the business and investment regulatory departments are being reduced by \$1,216,377, from \$26,813,384 for 1970-71 to \$25,597,007 for 1971-72. Man-years will increase slightly from 1,573.2 to 1,605.1. This increase in man-years is primarily due to additional workload resulting from new legislation and changes in the economy.

The *Department of Real Estate* is adding 18 new positions to handle the increased salesman and broker licensing activity plus additional workload related to subdivisions and real estate syndicates. The Real Estate Fund will be the source of the support for these new positions.

Nine new positions are included in the *Department of Insurance's* regulation of insurance companies program to handle increased workload in the areas of field examination and rate regulation. The cost of these positions is offset by direct charges against those insurance companies being examined.

In 1969, Section 8800 of the California Financial Code was amended to require the Savings and Loan Commissioner to examine every association under his jurisdiction at least once every two years instead of once every year. This enabled the *Department of Savings and Loan* to introduce greater flexibility into the program of selective scheduling of examinations and to concentrate examination effort on associations with management, operating and financial weakness. This selective scheduling of examinations along with an improved association evaluation system has enabled the department to reduce its staffing requirements for 1971-72 to 154 man-years in contrast to 159.5 man-years for 1970-71.

The *Department of Corporations* is charged with the enforcement and administration of the new Franchise Investment Law (Chapter 1400, Statutes of 1970), which became operative on January 1, 1971. It is the intent of this law to provide each prospective franchisee with the information necessary to make an intelligent decision regarding franchises being offered and to prohibit the sale of franchises where such sale might lead to fraud or a likelihood that the franchisor's promises would not be fulfilled. This regulatory activity will cost \$81,748 and will require 7.9 man-years for the 1971-72 fiscal year. The additional staff required for this program will be offset by reductions in other areas, principally in the Retirement Systems Law, where regulation has been simplified through enactment of a new disclosure law in 1970.

In the *Department of Housing and Community Development*, the employee housing and labor camps element is increased from \$134,216 in the current year to \$185,353 in the budget year. Legislation which requires annual inspection of labor camps has caused the increase in this element. The mobilehomes element is increased from \$673,215 in 1970-71 to \$840,645 in 1971-72 because of significant rises in workload resulting from implementation of new construction regulations for mobilehomes and commercial coaches. A decrease in workload is anticipated in mobilehome parks and accessory structures element as several counties are expected to assume enforcement responsibility as a result of recent legislation.

Expenditures for the *State Banking Department* and the *Department of Alcoholic Beverage Control* will be held to approximately the current year level.

Transportation

Expenditures for those departments and activities related to transportation will total \$1,123,870,075 in 1971-72 as compared to \$1,243,920,290 in the current fiscal year. The reduced expenditure estimate is primarily the result of a decrease in federal funds for the interstate highway systems. In most other program areas expenditures will be increased to meet the states growing transportation needs.

Department of Public Works

The 1971-72 budget for the Department of Public Works contains \$635,814,000 for major highway construction and improvements, including rights-of-way and engineering. This will provide for the construction of nearly 165 miles of multilane freeways, the widening of 30 miles of existing freeways and the addition of 10 miles of auxiliary lanes aimed at improving freeway operational qualities. It will also construct about 21 miles of two-lane expressways and 40.5 miles of two-lane conventional highways, and construct or widen 6.5 miles of multilane conventional facilities.

This budget reflects a loss of \$85.2 million in federal aid for California highways, the largest part of which had been earmarked for construction projects on interstate system freeways.

There is also a shift of approximately \$37 million for highway construction to the 13 more densely populated southern counties from the 45 counties of the north. This shift was caused by recently passed legislation which changes the statutory formula for the allocation of state highway funds from 55 percent south-45 percent north to 60 percent south-40 percent north.

The Department of Public Works will continue its active program to reduce fatalities and accidents on the State Highway System. Sixteen million dollars has been budgeted for projects programmed specifically to eliminate the most hazardous areas on the State Highway System as shown on the newly completed statewide inventory of traffic hazards. A departmental goal has been established to realize an annual reduction of 83 fatalities and 3,125 accidents when all improvements are constructed.

A most significant achievement during 1970 was the increased involvement in the joint use of highway rights-of-way with other modes of transportation. A tracked air cushion vehicle for rapid transit is now being planned to utilize the San Diego Freeway median in Los Angeles, and a mass transit exclusive bus lane project is being developed in conjunction with the San Bernardino Freeway.

During 1971-72, the department will move actively to advance the planning capability in the overall transportation field. Specific activity will include completion of the development of a statewide traffic model, completion of functional classification of all streets, roads, highways in the state, and the development of the ability to predict demands for various modes for transportation in the major urban areas.

In the area of highway construction, the state will continue the significant improvements which have been made in revising plans, policies, and procedures based on community and environmental factors consideration. Mixed discipline units charged specifically with responsibility for community and environmental fac-

tors have been developed within existing staffing levels to operate in all 11 highway districts and the department's headquarters staff. Each freeway route location study will consider potential air and noise pollution and will meet all requirements of the "Environmental Quality Act of 1970".

Department of Motor Vehicles

The growth in highway transportation in California is perhaps best exemplified by the number of registered vehicles and licensed drivers. In 1971-72 it is estimated that the Department of Motor Vehicles will register 14,891,000 vehicles and issue over 860,000 original driver's licenses. Vehicle registrations are increasing at a rate of over 4.7 percent a year and the total number of driver's licenses outstanding is increasing at a rate of over 4.5 percent per year.

In the Department of Motor Vehicles there is an increase of 118.3 man-years to meet this workload and to implement new legislation enacted in 1970. This increase has been minimized through the full implementation of engineered work standards throughout the department and with the completion of the driver record file conversion from manual to electronic data processing. The department's automated information system now provides rapid access to individual driver and vehicle records 24 hours a day.

Department of the California Highway Patrol

The 1971-72 budget for the Department of the California Highway Patrol reflects the costs of additional personnel and significant increases in vehicle costs. It provides for an increase of 282 man-years to carry out the department's responsibilities on the state highway and county road system and to meet workload increases relating to truck and passenger vehicle inspection activities. The budget also provides funds for the construction of a new Highway Patrol Academy near Sacramento and for the acquisition or construction of facilities at Westminster, Baldwin Park, Woodland, Grass Valley, Redwood City, and San Jose.

Department of Aeronautics

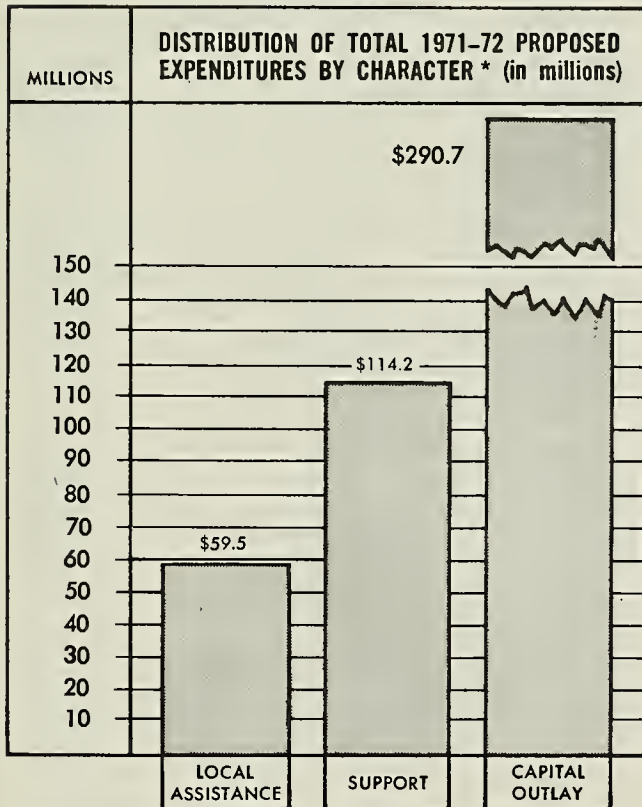
A State Master Airport Plan is being developed by the Department of Aeronautics to provide a plan for airport development in California for the next 20 years. Funding for the final phase of this plan is proposed in 1971-72 at a cost of \$227,000 from the Aeronautics Fund and \$455,000 from federal funds. Stemming from 1970 legislation, a new program is being implemented at a cost of \$150,000 to provide training flight strips for general aviation away from congested metropolitan airports. The minimum annual allocation to publicly owned airports will increase from \$2,500 per airport to \$5,000 per airport in 1970-71 and 1971-72.



Resources

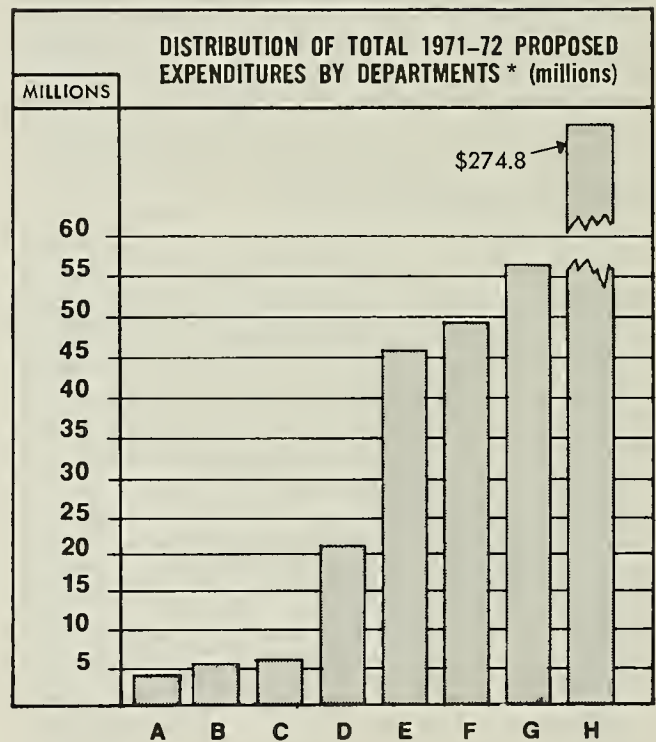
These programs are directly concerned with protecting, preserving, enhancing and developing, for the benefit of all Californians, the state's environmental wealth. Programs funded by the state range from those designed to attain and maintain desirable standards of air and water purity, to forest firefighting, flood control, water development and the creation of recreational opportunities.

**CHART 4
RESOURCES**



* All funds including General Fund, special funds, and bond funds.

**CHART 5
RESOURCES**



- A. OTHER \$4.1
- B. NAVIGATION AND OCEAN DEVELOPMENT \$5.7
- C. AIR RESOURCES BOARD \$6.4
- D. FISH AND GAME \$21.6
- E. CONSERVATION \$45.6
- F. PARKS AND RECREATION \$49.8
- G. WATER RESOURCES CONTROL BOARD \$56.5
- H. WATER RESOURCES \$274.8

* All funds including General Fund, special funds, and bond funds.

A brief description of programs found within the Resources Agency and related to environmental protection and enhancement follows:

ENVIRONMENTAL PROTECTION AND ENHANCEMENT

Need

California has demonstrated and possesses an unparalleled capacity to build and develop economic resources and to increase its citizens' standards of living. However it is becoming increasingly obvious that a greater portion of our effort must be directed toward protecting and enhancing our natural resources and environment.

Man's environment is his total surroundings, the physical, biological, and cultural factors, both natural and manmade, which affect his health, senses and intellect. The major physical factors of the environment which must be considered are the land, water, air, climates, sound, odors, tastes, and manmade structures. The biological factors of the environment are the animals and plants, both wild and domestic, native and introduced. Man himself is part of the biological environment. Cultural environmental factors are the characteristic features of a given stage of civilization, the architectural styles, human activities and the available services and amenities.

Objectives

California has been working for several years to identify and solve its environmental problems. Its main emphasis has been in the areas of air pollution abatement, fish and wildlife protection, and water pollution prevention and control. In recent years, environmental protection has been expanded to include land use, waste management, noise control and water reclamation, to name a few.

The Secretary for Resources is primarily responsible for ensuring the adequate and properly balanced management of government functions related to California's environment. Within the Resources Agency, governmental functions are being coordinated to assure that departmental programs which preserve and enhance one resource do not lead to the deterioration of another resource. Steps have been taken to expand this coordination to all other agencies.

Through the passage of the "California Clean Water Bond Act of 1970," the citizens of California have enunciated their support of environmental protection. This is only one of the specific problem areas to which emphasis is being given.

Several other specific problem areas and some of the related departmental program elements and expenditures are cited to illustrate the extent of the state's involvement in environmental protection. The following list of program elements should be considered as "action elements," recognizing that almost all governmental programs relate in some way to man and his environment.

Specific Problems

I. Air Quality

Air pollution ranks as one of the most serious of the many environmental problems. It occurs in many areas of the state and is more intense in the heavily populated areas.

Air pollution almost certainly injures man's possessions, interferes with his activities, offends his senses and degrades his environment. It is known to aggravate respiratory diseases and cause eye irritation.

Air Resources Board

Air Pollution Control:	1971-72
Air quality management -----	\$5,885,630
Motor vehicle emissions control ----	1,166,971
Evaluation and planning -----	147,000
Total -----	\$7,199,601
State funds -----	6,399,601
Federal funds -----	800,000

II. Water Quality

Water pollution has been under attack in California for more than four decades. During this time, the problems and threats have accelerated. Pollution from domestic sewage, agricultural fertilizers, pesticides and industrial wastes have degraded many waters. Since water is neither created nor destroyed, we must protect our quality waters and reclaim that water which has become polluted.

Department of Water Resources

<i>Conservation, Development and Use of State Water Resources</i>	1971-72
Continuing Formulation of California Water Plan:	
Surface water quality data -----	\$390,000
Ground water quality data -----	178,000
Waste water reclamation -----	207,000
Sea water intrusion studies -----	52,000
Ground water basin protection studies -----	85,000
Water quality investigations -----	524,060
California-Nevada Joint Water Quality Investigation of Lake Tahoe -----	18,000
Mammoth Basin water resources environmental study -----	15,000
Lower Salinas Valley sea water intrusion -----	9,000
Delta multipurpose levee study----	52,000
Character and use of rivers -----	52,000
Geothermal resources -----	36,000
Fishery and wildlife enhancement	42,000
Sierra foothills investigation -----	52,000
Environmental impact analysis ---	104,000
Recreation, fish, and wildlife enhancement -----	175,000
Bay delta environmental protection study -----	328,000
San Joaquin Valley drainage monitoring -----	71,000
Totals, Department of Water Resources (state funds) -----	\$2,390,060

State Water Resources Control Board	
Support:	
Water quality control -----	\$3,543,350
Planning and research -----	2,017,250
Totals -----	\$5,560,600
State funds -----	3,367,600
Clean Water Bond Fund -----	1,540,000
Federal funds -----	653,000
Local Assistance:	
Assistance for construction of sewerage, storm drainage and water quality facilities -----	50,161,000
State funds -----	161,000
Clean Water Bond Fund -----	50,000,000

Department of Fish and Game

Water projects and water quality (state funds) -----	\$450,775
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Department of Navigation and Ocean Development

Vessel waste disposal (state funds) --	\$28,637
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III. Land Use

Man's use of California land is wasteful. Prime agricultural land is studded with houses, open space is lost in cities, soils eroded, hills are reshaped and removed, and tidal lands and bays are being filled. Most of this damage is directly related to unplanned population growth. The use of the land must be planned with protection and enhancement of the environment a main objective.

State Lands Division

Land management (state funds) ----	\$1,520,800
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Department of Navigation and Ocean Development

Beach erosion control -----	\$182,175
Comprehensive Ocean Area Plan ----	150,640

Total (state funds) -----	\$332,815
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Special Resources Services and Studies

Tahoe Regional Planning Compact --	\$50,000
Powerplant Siting Program -----	100,000
Ventura-Los Angeles Mountain and Coastal Study Commission -----	100,000

Total (state funds) -----	\$250,000
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Department of Conservation

Watershed and Fire Protection:	
Fire prevention -----	\$539,000
Fire control -----	4,600,000
Fire protection -----	1,263,000
Forest range and watershed management -----	328,000
Conservation camps -----	640,000
Oil, gas, and geothermal protection:	
Regulation of oil and gas operations	196,000
Regulation of geothermal operations	2,000
Subsidence abatement -----	16,000
Totals -----	\$7,584,000
State funds -----	7,084,000
Federal funds -----	500,000

San Francisco Bay Conservation and Development Commission

Support (state funds) -----	\$259,000
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IV. Solid Waste

Large quantities of solid waste degrade the environment by causing health problems, being unsightly and occupying space. An estimated 80 million tons of solid waste is produced annually in California. Its disposal, however, can also cause air or water pollution. Better methods of disposal must be developed and attacks must be made on the source of the problem as well.

The Bay Conservation and Development Commission has established regulations prohibiting use of the bay as a dumping ground for wastes. The Department of Water Resources classifies lands for dumpsite use to preclude contamination of subsurface waters by waste disposal sites.

Consideration of the problems of waste management illustrates the interrelationship of environmental problems. If waste products are burned, air pollution results. If severe controls are placed on burning, then serious water quality and solid waste disposal problems may result. The solution is to devise control measures which result in the least environmental degradation with consideration given to land use and water quality as well as air quality.

Although effort toward environmental protection and enhancement is made throughout various programs of the state, the identification and relationship of specific elements to major program objectives is no easy task. It is intended that the Governor's Budget for 1972-73 will include an inventory of all elements of environmental protection and enhancement effort and that steps will be taken to establish criteria for determining priorities for environmental expenditures.

The Resources Agency, under the direction of the Resources Secretary, is composed of the Departments of Water Resources, Parks and Recreation, Conservation, Fish and Game, Navigation and Ocean Development, the Air Resources Board, the State Water Resources Control Board, the Reclamation Board and such smaller entities as the San Francisco Bay Conservation and Development Commission, and the Colorado River Board. A brief description of agency activities follows:

Conservation

The objective of the Department of Conservation is the protection, conservation and development of California's forests, wildlands, watersheds, mineral deposits, and soil resources. These natural resource needs are fulfilled through programs of the Divisions of Forestry, Mines and Geology, Oil and Gas, and Soil Conservation. The department proposes to spend \$45.6 million in state funds to administer these programs in 1971-72.

In the forest and watershed fire protection area, basic fire protection is provided to 38 million acres of California's prime forest, range, and watershed lands. Approximately 9.5 million acres of federal and local responsibility land is protected under contract with various counties and federal agencies. Fire protection is also furnished for many local government and fed-

eral agencies on a reimbursed basis. In addition, this highly mobile emergency force is often called upon to render assistance during times of natural disasters such as floods, tidal waves, and earthquakes.

In 1971-72, it is proposed to relocate 340 conservation camp inmates to Department of Corrections conservation centers. This will result in the closure of five conservation camps for a savings of over \$250,000, with no significant drop in firefighting capability. The fire control element within the department is being strengthened substantially through an expanded and improved fire dispatch system and an augmented air attack program.

In the geology and mineral resources area, essential information is provided for protection of the public from landslides, debris flows, land subsidence and uplift, earthquake, fault movement, coastal and flood erosion, mudslides, and other geological hazards. Other activities within the geology and mineral resources area include the production of geologic maps, often in cooperation with local and municipal governments. Also California's mineral resources are investigated and explored to assure a continuous and orderly development of the state's industries.

In the area of oil, gas, and geothermal operations, regulatory statutes are enforced which assure greater ultimate recovery of oil, gas, and geothermal resources, the prevention of wastes and damage, and the prevention of contamination of fresh waters penetrated by wells. This program is entirely funded by assessment of the oil, gas, and geothermal industries. It is proposed in 1971-72 to improve operational effectiveness and avoid future personnel increases by (1) automating the process of compiling well production reports, (2) converting the conventional record-keeping system to microfilm and (3) installing mobile radios in six of the field engineers' automobiles.

Fish and Game

The objective of the Department of Fish and Game is to insure the perpetuation and enhancement of fish and wildlife for the present and future use and enjoyment of the citizens of the state. In 1971-72, the department proposes a budget of \$21.6 million to accomplish this objective. The department's six programs include enforcement of laws and regulations, wildlife, inland fisheries, anadromous fisheries, marine resources, and water projects and water quality.

The enforcement program accounts for almost one-third of the department's budget. The objective of this program is to insure that the Fish and Game Code is enforced to a degree that will provide for the maximum sustained yield, utilization and enjoyment of the fish and wildlife resources.

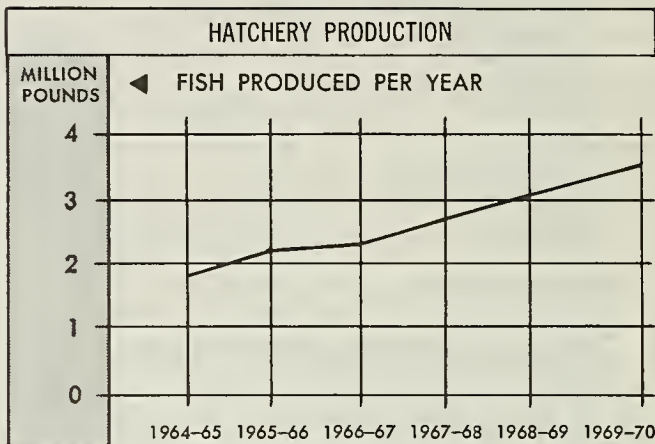
The wildlife management program attempts to perpetuate and conserve wildlife found throughout the state, to maintain optimum breeding stock of our wildlife species and to obtain an optimum harvest of those game species that have an open hunting season. Over five million days of recreation for California hunters are provided by upland game species alone.

The inland fisheries program seeks to provide diversified and satisfactory fishing for California anglers while insuring the perpetuation of the state's native fisheries. Freshwater fishing in California currently

sustains about 18,000,000 angler-days annually. To supplement natural fish production, the department operates 23 hatcheries which annually produce almost three and one-half million pounds of fish for stocking purposes.

Construction of the warmwater hatchery at Niland will be completed in 1970-71. The 1971-72 budget contains funds to equip, staff and operate this hatchery.

CHART 6



The anadromous fisheries program deals with the important species of salmon, steelhead, striped bass, shad and sturgeon. These resources support an estimated three million angler-days of recreational fishing annually, while the commercial catch of salmon averages eight million pounds annually.

The marine resources program has as its goal to maintain all species of marine fish and marine wildlife for their intrinsic and ecological values as well as for their direct benefits to man. California now produces about one-tenth of the five billion pounds of commercial fishery products produced by the United States. Marine sport anglers fish more than six million days annually and land over 29 million pounds of fish in California in addition to the commercial catch.

The program of water projects and water quality involves the review and study of federal, state, and state-assisted water projects, federal highway projects, and statewide water quality conditions to protect and augment existing fish and wildlife resources.

In 1971-72, the department is proposing to replace or renovate their Beechcraft airplane at a cost of \$300,000. The replacement of the patrol boat "Yellowtail" is also proposed.

Navigation and Ocean Development

Under provisions of the Governor's Reorganization Plan No. 2 of 1969 the Department of Harbors and Watercraft was abolished and the Department of Navigation and Ocean Development was established effective November 10, 1969. The objectives of the department are to develop and improve the waterways and boating facilities of the state, to promote safety of persons and property in and connected with the operation of vessels on state waters and to conduct a

beach erosion control program in cooperation with the federal government and agencies of local government.

The boating facilities development program comprises over 80 percent of the department's budget. A launching facility grant is proposed for Lime Saddle at Oroville Reservoir. Small craft harbor construction loans are planned for the Berkeley Marina (Alameda County), Oceanside Harbor (San Diego County), Fish Harbor Marina (Los Angeles County), and San Leandro Harbor (Alameda County).

The boating safety and regulation program reflects the proposed establishment, in 1971-72, of a vessel waste management element. The objective of this activity is to achieve compliance among boaters with the state water quality requirements.

The beach erosion control program was transferred from the Department of Water Resources under provisions of the reorganization mentioned above. In 1971-72, \$52,800 is proposed for Stage 5 of the Orange County Beach Erosion Control Project.

The department is also proposing a capital outlay project for the construction of a boat launching ramp and parking area at Millerton Lake State Recreational Area. The project would provide continuous year-round access to this recreation facility.

Department of Parks and Recreation

The Department of Parks and Recreation is proposing expenditures of \$49.8 million in 1971-72 to meet its six principal objectives:

1. To secure and preserve elements of the state's outstanding landscape, cultural and historical features.
2. To provide for the meaningful and constructive use of people's uncommitted time.
3. To help people understand and appreciate, through an interpretive program, the state's cultural, historic and natural heritage.
4. To maintain and where necessary improve the quality of California's environment.
5. To maintain a statewide recreation plan that includes a continuing analysis of the state's need for recreational areas and facilities, and a recommendation of the levels of public and private responses for meeting this need.
6. To encourage all levels of government and private enterprise throughout the state to participate, whenever feasible, in the development and operation of recreational facilities.

The major activity of the Department of Parks and Recreation is the development and operation of the state park system. It is anticipated that over 45 million people will visit these facilities in 1971-72.

One of the major changes within the department for 1971-72 involves a change in emphasis from statewide, long-range planning to a concentration on the planning and development of recreation facilities at state water projects. This is the result of the successful passage of Proposition 20 in the November 1970 election. Proposition 20 established the Recreation and Fish and Wildlife Enhancement Bond Fund and the department has assumed the responsibility for a \$54,000,00 recreation development program at state water projects.

In 1971-72, \$500,000 is proposed for workload increases tied to operation of the state park system. The

largest single item in this category is the opening of the Pendleton Beach area, which has recently been acquired from the federal government.

The 1971-72 capital outlay budget for the department proposes expenditures in excess of \$27,500,000. Over \$18,000,000 of this total would be from the State Beach, Park, Recreational and Historical Facilities Bond Act of 1964 which will be completely expended in the budget year. Over \$8.6 million is proposed from the Recreation and Fish and Wildlife Enhancement Fund authorized by Proposition 20. Some of the major areas proposed for development in 1971-72 include Point Mugu State Recreation Area, Pismo State Beach, Silverwood Lake, Refugio State Beach, Doheny Beach and Castaic and Del Valle Reservoirs.

Water Resources

The primary objective of the 1971-72 expenditure program of the Department of Water Resources continues to be the maximum beneficial use of California's water with the completion of the State Water Project an essential responsibility.

The California Water Project remains on schedule. Work on the project is continuing to move southward, with a considerable amount of construction being carried on south of the Tehachapi Mountains. In the construction of the initial facilities of the State Water Project for water deliveries from Castaic and Perris Reservoirs, 97 percent of the facilities will be completed by July 1972. Scheduled water deliveries for 1971-72 will total approximately 713,000 acre-feet, which will represent a 43-percent increase over the deliveries of the preceding year.

General departmental planning will continue to emphasize investigation of statewide water needs as well as joint financing in connection with investigations of a local nature. During 1971-72, the department will give added emphasis to water quality and the environmental aspects of our water resources.

The department's local assistance activities for 1971-72 are in the area of flood control. This activity provides for continuation of reimbursements to local agencies for lands, easements and rights-of-way acquired in conjunction with authorized flood control projects. In 1971-72, \$4 million is provided for this purpose.

State Water Resources Control Board

The State Water Resources Control Board is charged with the function of determining the rights to the use of water, so that the limited water resources of the state are wisely used and, with the nine regional water quality control boards, to provide coordinated statewide control of water quality. The three major programs of the board are water quality control, planning and research and water rights.

The objective of the water quality control program is to end water pollution and to maintain the highest possible water quality. To work toward this objective the board must formulate water quality control policies, establish and review waste discharge requirements, maintain a surveillance and enforcement activity, and review applications for federal grants and state financial assistance for construction of waste treatment facilities.

The planning and research program has as its objective to provide comprehensive long-range planning to better manage the quality of the state's water. The data and information provided by this program is needed to solve the increasingly complex problems of water quality management.

The objective of the water rights program is to obtain the greatest beneficial use of the waters of the state. It is also important to prevent waste or unreasonable use of water by administering the appropriation laws, to give assistance to the courts in determination of water rights, and to maintain a record of water diversions and use throughout the state.

The passage of the Porter-Cologne Water Quality Control Act and the Clean Water Bond Law of 1970 have greatly expanded the tasks and workload of the board, which will increase overall operating costs by slightly over one million dollars.

The authority of the state and regional boards was substantially increased by the Porter-Cologne Water Quality Control Act, which became operative on January 1, 1970. The Porter-Cologne Act is the first major overhaul of the state's water quality control law in 20 years and it is regarded as the toughest water quality control act in the nation.

In the November 1970 general election, over 75 percent of the voters approved the Clean Water Bond Law of 1970. This \$250 million bond issue is part of a federal-state-local program to invest one billion dollars in construction of new or improved wastewater treatment and disposal facilities in California in the next five years. The board is anticipating the expenditure of \$50 million in bond funds during 1971-72 to assist local entities in the construction of these facilities.

Air Resources Board

The mission of the Air Resources Board is to control air pollution in California. Air pollution is complex, both in its makeup and in its control.

This budget provides \$7.2 million (including \$800,000 in federal funds) for support of the air pollution control activities of the board, including funds for continued research into the causes of smog and the inter-action of various pollutants in the atmosphere. As additional information is gained, new or revised air quality standards will be set for the contaminants. New emissions standards will also be set to control both stationary and vehicular sources of pollution.

California has turned the corner on vehicle pollution; however, more work is needed if the objective of restoring air quality to the 1940 levels is to be met, particularly with the increase in car population anticipated by 1980.

The 1970-71 budget provided \$1.6 million for constructing and equipping a new air pollution laboratory which will be capable of evaluating the numerous control systems being developed. It will also be used for research and development in connection with the increasingly critical emissions standards. This facility will be in operation during 1971-72.

The 1970 Legislature directed the Air Resources Board to initiate a number of new programs or expand current programs in fiscal year 1970-71. This action will be reaching full effectiveness in 1971-72. The programs include control of agricultural burning, expansion of state air monitoring activities, coordination of local air pollution control districts, review of local air pollution rules and regulations, and a greatly expanded research program.



Human Relations

Human Relations Introduction

The Human Relations category encompasses the health, welfare and correctional program areas and is second only to education in the magnitude of state expenditures. Services are provided to a broad spectrum of California citizens through the joint efforts of state, federal and local agencies. Continued emphasis will be placed on the development and operation of local programs in the 1971-72 fiscal year.

Department of Mental Hygiene

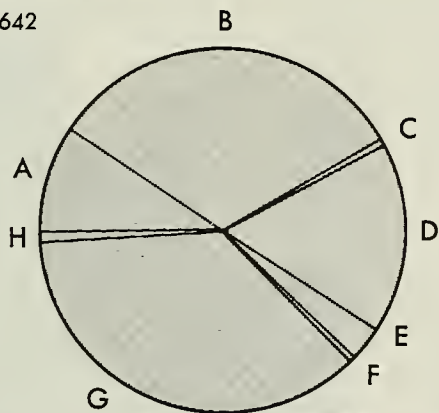
On July 1, 1969, the Department of Mental Hygiene began operating under the provisions of the California Mental Health Act. As of December 1, 1970, 58 counties and communities have established community mental health programs. These programs provide services to the mentally ill, drug abusers, and alcoholics, and have contributed significantly to reducing the population in the hospitals for the mentally ill. This decrease

CHART 7

HUMAN RELATIONS EXPENDITURE DOLLAR 1971-72 (thousands)

TOTAL GENERAL FUND

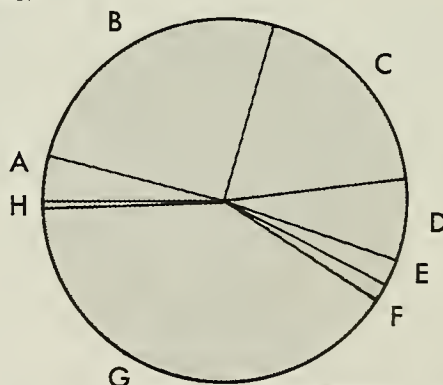
\$1,844,642



	PERCENT	DOLLARS
A—Correctional	9.6	177,377
B—Health Core Services	32.1	589,121
C—Human Resources Development	0.5	9,863
D—Mental Health	17.0	312,271
E—Public Health	2.8	50,690
F—Rehabilitation	0.4	7,118
G—Social Welfare	36.4	676,500
H—Industrial Relations	1.2	21,702

TOTAL ALL FUNDS *

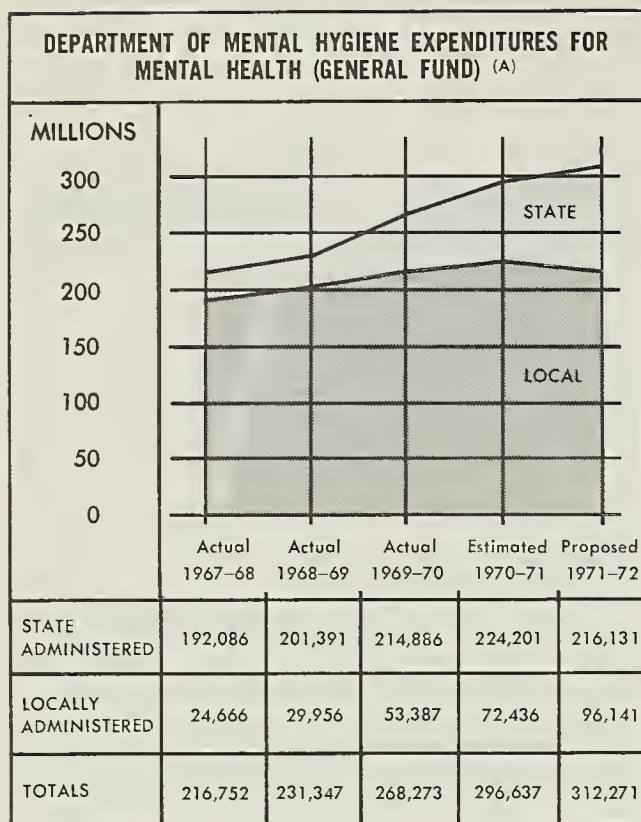
\$4,767,937



	PERCENT	DOLLARS
A—Correctional	3.7	179,061
B—Health Core Services	23.2	1,111,662
C—Human Resources Development	24.8	1,183,261
D—Mental Health	6.7	320,136
E—Public Health	2.2	110,677
F—Rehabilitation	1.0	51,240
G—Social Welfare	38.0	1,811,900
H—Industrial Relations	0.4	21,987

* Excludes local funds.

CHART 8



in population, plus more effective management of available resources, has made possible a reduction in nursing supervisor and hospital support positions. Similarly, the reduction in inpatient population has reached the point where it is no longer economically feasible for the state to continue operating DeWitt State Hospital, and it will be transferred to Placer County or closed by July 1, 1971. In the 1971-72 budget, the state is continuing to increase its financial assistance to the community mental health programs (see Chart 8). The 1971-72 budget includes an increased General Fund expenditure of \$21,598,715 over the 1970-71 budget. Essentially, these funds are to meet the general increase in the cost of care, and the cost of aftercare services which the Legislature recently added as a required service of the local programs. The state-local cost-sharing ratio continues at 90 percent state and 10 percent local.

In February 1968, new staffing standards which had been recommended by the California Commission on Staffing Standards were adopted, with a five-year goal set to achieve these standards. However, on January 1, 1970, 100 percent of the recommended standard was achieved for the nursing staff of the hospitals for the mentally ill. The 1971-72 budget will continue this staffing at 100 percent of standard. Nursing staffing in the hospitals for the mentally retarded is currently at 88 percent of the standard. The 1971-72 budget proposes the addition of 160 positions which, along with the continuing decline of inpatient population, will raise the percent of standard achieved to 91.

Inpatient population in the state hospitals was 47,-

190 on June 30, 1960, and 42,270 on June 30, 1965. It is estimated that this population will decline to 20,689 by June 30, 1972, a reduction of 51 percent. This reduction has resulted in a decreased need for nursing care personnel, which is reflected in a reduced amount being proposed for manpower training and development. In keeping with this continuing reduction in workload, appropriate reductions are proposed in headquarters administration.

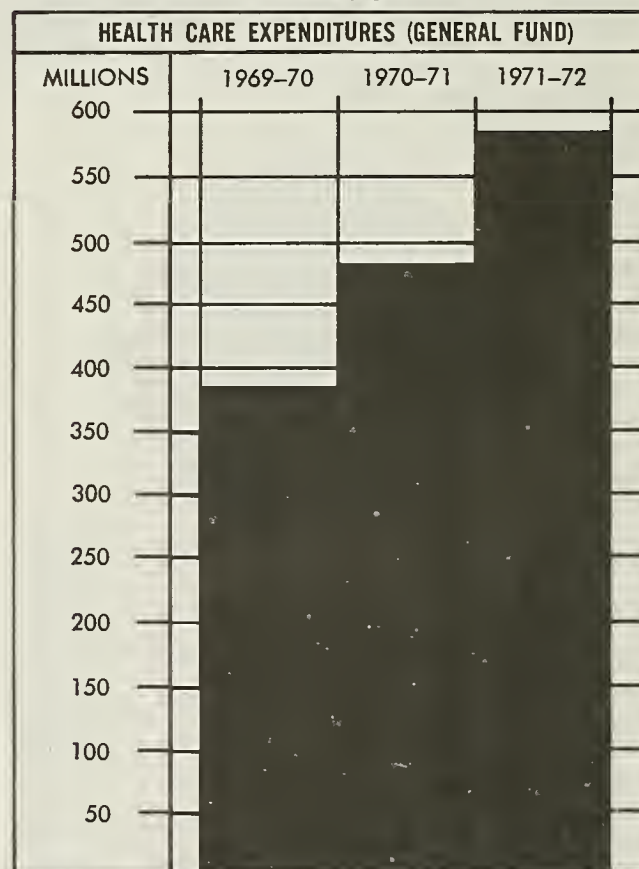
Medi-Cal

The California Medical Assistance Program (Medi-Cal), administered by the Department of Health Care Services in cooperation with county and federal government, is budgeted at a total of \$1.336 billion in fiscal year 1971-72. The state's share of this program is budgeted at \$589 million from the General Fund. (See chart below for the General Fund expenditures for the past, current and budget years.)

In the current year spiraling costs resulting from increasing caseloads and heavier than expected utilization of services caused the Department of Health Care Services to take administrative action to curb these rising costs through the adoption of emergency regulations. The control measures are expected to remain in effect for the balance of the 1970-71 fiscal year in order to maintain the expenditure level within appropriation limitations.

The 1971-72 fiscal year General Fund share of cost reflects an increase of \$105 million over the current year. The Governor's Budget also reflects a change in concept with respect to the degree of utilization by

CHART 9



recipients and is referred to in the budget document as the "average citizen" plan. Under this plan the medical services annually provided to the Medi-Cal caseload will be closely related to that obtained by the self-supporting American citizen.

Further, the new proposal would create an incentive to be more selective on the utilization of medical services by the recipients. Administratively the plan would enable the department to establish a known and controllable fiscal program. No significant change in caseload is expected as a result of the implementation of this plan.

Department of Social Welfare

Public assistance and social services for the aged, the handicapped, dependent children, and the needy will require \$676.5 million from state funds during 1971-72, a decrease of \$65.2 million from comparable expenditures in the current fiscal year.

Fiscal requirements for 1971-72 have been lowered based upon the projected implementation of recommendations made by the Governor's Task Force on Public Assistance and the Departmental Regulations Task Force. These changes will affect the department's programs as follows: tightening of welfare eligibility procedures; limitation on allowable expenses of employment; redefinition of "unemployed parent"; stricter eligibility requirements and allowances for in-home protective living arrangements and special housing needs; and other public assistance reforms through administrative and legislative action.

Continued accelerated growth in welfare costs has put tremendous pressure on state governments in their attempts to provide for the needs of the public within available funds. In fiscal year 1970-71, an in-depth analysis of welfare regulations was undertaken. As a result of this analysis, the current year 1970-71 and budget year 1971-72 reflect cost reductions in several areas as outlined above.

Efforts will be continued in 1971-72 to develop additional welfare reforms in a variety of program areas, including eligibility and payment determination, overall system management, and the delivery of welfare services.

Department of Human Resources Development

The department will continue to direct its resources and programs for job training and placement services so as to insure effective primary utilization to those areas with the largest concentration of unemployment. It is estimated that 1.5 million Californians are disadvantaged, poor or near poverty. Programs to upgrade and refer unemployed persons will continue in the budget year.

In the Job Training, Development and Placement programs, the department will increase its computer-assisted job and applicant matching system (LINCS) and integrate it with computerized job banks in San Francisco and Los Angeles. By the end of fiscal year 1971-72, nine job banks will serve all metropolitan areas in the state, representing 83 percent of the total state labor force. The Work Incentive Program (WIN) will be expanded to increase the training slots from 16,800 to 17,600, which will provide comprehensive manpower services to an additional 1,400

welfare recipients. A nine-million dollar contract with the Manpower Administration will provide for implementation of intensive job development projects, affecting many workers displaced in the aerospace and scientific fields.

In the tax collection and insurance payments program, extended duration of federal benefits, were triggered "on" in December 1970 and the state's extended duration will probably trigger "on" in February 1971. An embossed card payment system has been tested locally, and in fiscal year 1971-72 will replace local cash pay, bank pay orders, and central mail pay systems. Partial reorganization of division offices under a district office system will provide better public service at no additional cost.

In the Farm Labor Services Program, services will be expanded to include both agricultural and nonagricultural workers and employers in all rural areas.

The Office of Economic Opportunity (OEO) is currently planning to conduct demonstration programs to test the validity of certain innovative approaches to the problems of poverty in the state, including collection of data to measure the magnitude and severity of poverty by geographic areas, compilation of available federal, state, local and private resources, and the matching of available resources to problems.

Department of Corrections

Revised estimates and recent trends indicate the institution population of the department will not be as high as last year's predictions. Current estimates place the population at approximately 27,000 for 1971-72 as compared to a prediction of 29,831 for June 30, 1972 in last year's budget. This lower population permits the department to close the California Men's Colony-west facility during 1970-71 by moving these older inmates to other facilities with available space.

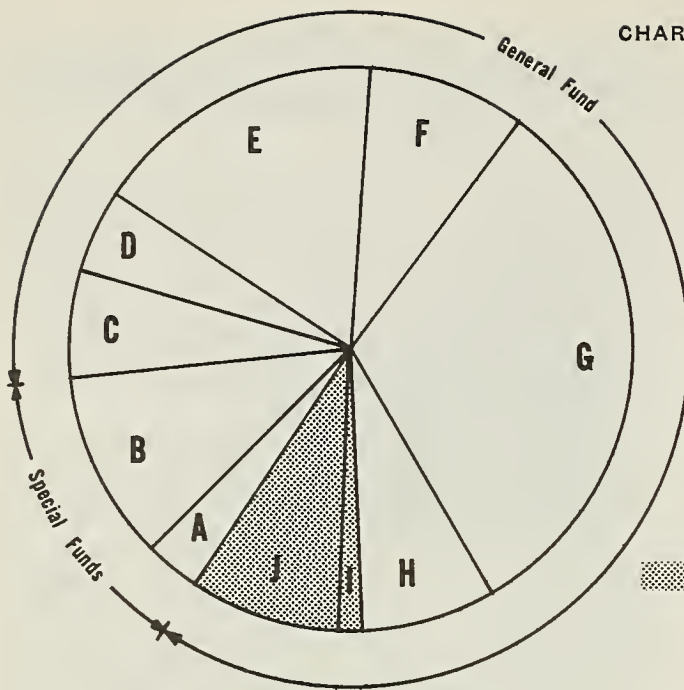
In contrast to the institution population, parole population in California communities will increase this year to approximately 18,000. Much of this parole increase is due to policy modification by the releasing authorities who determine when inmates are ready for return to the community under parole supervision. The department has contributed to this in several ways. Improved parole supervision and fewer cases per parole agent for about one-third of the total releasees assures closer contact with each parolee to either assist him in community reorientation or return him to prison for violations of parole conditions before he can commit new crimes. This strengthened parole, known as work unit supervision, reduces the caseload from 70 per agent to 35.

Another condition favorable to earlier releases from the institutions is the psychiatric care provided through departmental psychiatric outpatient clinics. Having these services available, when the releasing authorities require such as a condition of parole, further contributes to assurances of safe community release.

The institutions also assist in release success through their programs of psychotherapy and counseling, education and work experience to prepare the inmates, in the shortest possible time, for return to the community as a contributing member of society.

CHART 10

THE CORRECTIONAL DOLLAR PERCENT EXPENDITURES (GROSS) 1971-72



Function	General Fund		Special Funds	
	Expenditures (Millions)	Percent	Expenditures (Millions)	Percent
Institution Operations				
A. Inmate Canteen and Welfare Benefits	\$3.7	3.0		
B. Industrial Enterprises	13.3	10.8		
C. Behavioral Modification	7.6	6.2		
D. Education and Training	6.0	4.9		
E. Inmate Maintenance and Work Projects	20.6	16.7		
F. Feeding	11.0	8.9		
G. Security	39.1	31.8		
H. Intake and Release Processing	9.5	7.7		
Community Operations				
I. Community Services	1.5	1.2		
J. Parole Supervision	10.8	8.8		

As shown in the above chart, almost one-third of the department's expenditures is for security purposes. In addition, expenditures for community services and parole supervision outside the institutions is now at 10 percent, reflecting the increasing parole population.

Operations during 1971-72 will continue at the most economical level consistent with the rehabilitation of inmates and secure supervision of parolees. No major program augmentations are proposed. However, an increase of \$3.4 million will be necessary to fund improved employee retirement benefits required under Chapter 1600, Statutes of 1970.

Department of the Youth Authority

Population in Youth Authority institutions is projected for a slight decrease in 1971-72, while a slight increase is projected for parole population. The Probation Subsidy Program will be increased by \$1,150,000, to a level of \$15,900,000 in the budget year. This local assistance program, which emphasizes local supervision and treatment of offenders on probation, is one of the main reasons for the dramatic decline in the commitment rates of offenders to the Department of the Youth Authority and the Department of Corrections.

The result of the drop in commitment rates to the Department of the Youth Authority is a decrease in the requirement for bed capacity in existing facilities. Because of this, the department will be able to close Fricot Ranch School for Boys during the 1970-71 fiscal year.

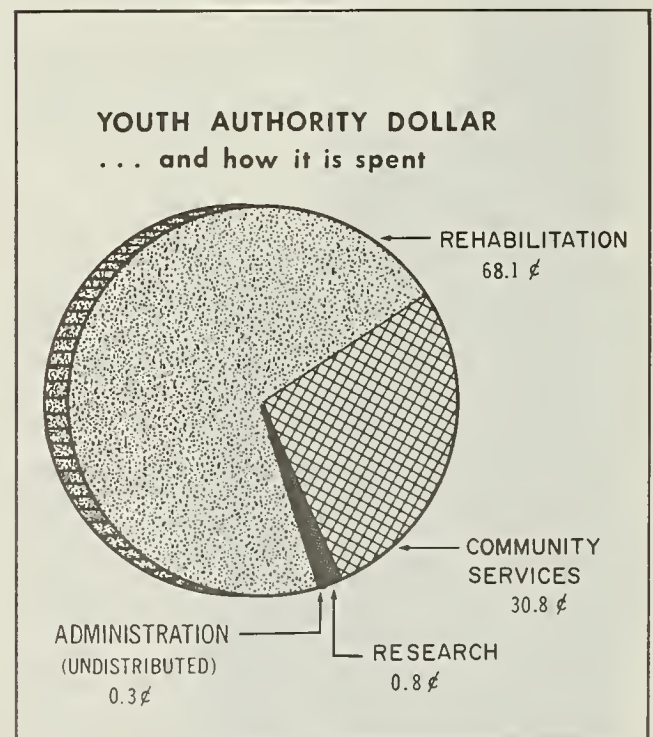
The Department of the Youth Authority will continue its efforts to support programs that divert youthful offenders and potential offenders from the criminal justice system. Fifteen delinquency prevention projects were established during 1970 in counties throughout the state, financed by \$200,000 in state

funds and augmented by almost \$1,000,000 in federal funds. An appropriation of \$200,000 is proposed for 1971-72 which will be used to match federal funds as in 1970.

As shown in the following chart, approximately two-thirds of the Youth Authority expenditure dollar provides rehabilitative services to wards committed to the department. Approximately one-third of the remaining Youth Authority expenditure dollar provides

CHART 11

YOUTH AUTHORITY DOLLAR ... and how it is spent



supportive services, primarily financial assistance to local jurisdictions for such programs as Special Probation Supervision, County Camps, Ranches and Homes, and Delinquency Prevention projects.

Department of Rehabilitation

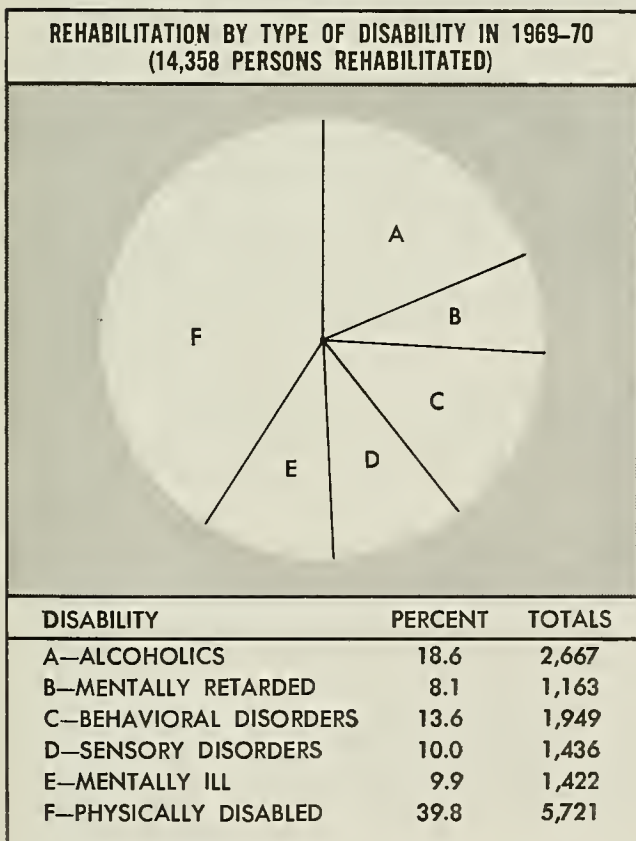
A total of 14,358 disabled persons were rehabilitated in 1969-70. The dollar benefits will continue far beyond the period required to recover the cost of service. The cost of rehabilitation in 1969-70 was \$34,528,000, while savings are estimated at \$7,260,000. In 1970-71 it is expected that 14,000 persons will be rehabilitated and in 1971-72, 15,800 disabled persons are estimated to be rehabilitated to a nongovernmental cost status.

Community services to alcoholics will be increased with the goal to reduce the number of nonpsychotic alcoholic patients now being treated in state hospitals.

In 1971-72, additional emphasis will be directed to rehabilitating the public offender. Primary emphasis will be directed toward persons who have been released from state institutionalization, although additional programs are also anticipated in the schools of the correctional system.

Sponsors from the private industrial area will be authorized to assume management of Industrial Rehabilitation Services. This type of management has proven successful in the past, especially for the individual workers. Initially, some grants will be available to activate and sustain the transfer, if necessary.

CHART 12



Department of Public Health

Through its four major programs, the Department of Public Health identifies new and changing health problems, develops improved techniques for prevention and control of disease and environmental problems, provides and assures high-quality health services, and emphasizes community and individual participation in developing and implementing health programs and services.

Federal funds account for approximately 47 percent of the department's 1971-72 budget, including grants-in-aid, Medicare reimbursement, and support of the special projects program. Of all funds, over 80 percent will be spent at the community level, through direct financial assistance or purchase of health services.

The individual California citizen has little direct influence over most environmental health hazards or the quality and safety of consumer goods. *Environmental Health and Consumer Protection Services* carries out measures to detect and deal with such problems before they emerge or reach critical stages, in such areas as foods and drugs, radiation, domestic water and sewage disposal systems, solid waste, vector-borne disease, and occupational hazards including pesticides.

Preventive Medical Services is the focal point in the department for planning and action to improve personal health services in California. It develops and implements methods and services for control or amelioration of chronic and communicable diseases, and administers funds which purchase health services for crippled children, infants and mothers, and high-risk groups such as California's Indians. Under 1969 legislation, services to the mentally retarded and their families have been expanded, and a coordinated interdepartmental program is being developed through the Human Relations agency. The 1971-72 Budget proposes an increase in the General Fund support for regional mental retardation centers of approximately \$2,000,000. The department will fund a minimum of nine centers in the budget year. In addition the department has assumed a new program responsibility for coordinating the development of a statewide emergency medical care system.

Community Health Services is the department's primary channel to local health agencies for financial and technical assistance which support planning and high-quality operations of a wide variety of health facilities and services. Health facility licensing and certification, and planning and construction, are among the major responsibilities of this program.

Nearly 90 percent of *Community Health Services'* funds, and 87 percent of *Preventive Medical Services'* funds, will be used at the local level in 1971-72.

Enactment of the federal "Partnership for Health" program in 1966 (P.L. 89-749) charted a new course for the development of health care throughout the nation. This law, together with subsequent state legislation, provides the framework for relating the state's health planning efforts to its overall needs and resources. The department's *Office of Comprehensive Health Planning* conducts this program, with emphasis on long-range health needs, directions, and priorities.

Department of Industrial Relations

The Department of Industrial Relations contributes toward improvement of working conditions of wage earners in the state, including mediation or arbitration of labor disputes, adjudication of claims under the Workmen's Compensation Law, and the enforcement of standards of safety in all phases of industrial activity.

Apprenticeship training programs providing opportunities for profitable employment, particularly to younger citizens of the state, are monitored in coop-

eration with the federal government under Title 38, U.S. Code (Vietnam G.I. Bill).

Additionally, the state maintains an apprenticeship promotion and development program through the establishment and maintenance of standards under which labor and management cooperatively conduct apprenticeship training.

The Labor Statistics program provides a wide variety of reports and statistical material which measure the economic health of the state and aid in planning, marketing and labor force decisions of both state and local governments and business organizations in the private sector.



Education

California continues to lead every state in the nation in the number of youths and adults enrolled in its public education system—from preschool through university graduate school. More than one-fourth of all Californians (5,600,000) are actively pursuing their educational objectives by full-time or part-time attendance in the public schools. Chart 13 displays the pattern of enrollment. It also shows the state tax dollars which are supplied to the public schools.

Those enrolled in education reflect the ever changing nature of California's society. There is a greater awareness of the problems and issues confronting our state and its citizens and an increasing desire and need to gain the knowledge to help deal with those issues.

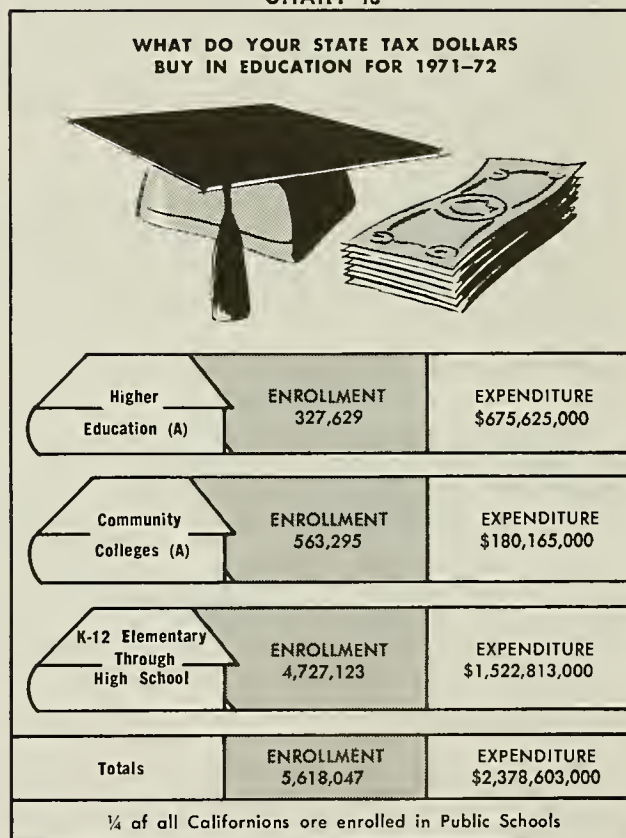
A recent and significant trend in California is the decline in the rate of population growth. This has been due both to reduced births and changing migration patterns. Chart 14 shows the impact of these changes in various age groups. The slowing of population growth is beginning to reflect in lower total enrollments in the elementary grade levels in California. This trend will eventually carry through and have a similar impact in higher education in the first half of the 1980's.

At the present time the University, state colleges, and the community colleges are expanding at a significant rate as the total college age group and the proportion of that age group going to college both increase.

The combination of decreasing enrollment pressure on the elementary level of the education system and increasing enrollment pressure on higher education presents decision makers both an opportunity to enhance the quality of education and the challenge to hold the line on the overall cost to the taxpayer.

In recognition of these changing conditions, an intensive effort has been made during the past year to examine both the outputs and the underlying assumptions which form the basis of costs in education and higher education.

CHART 13

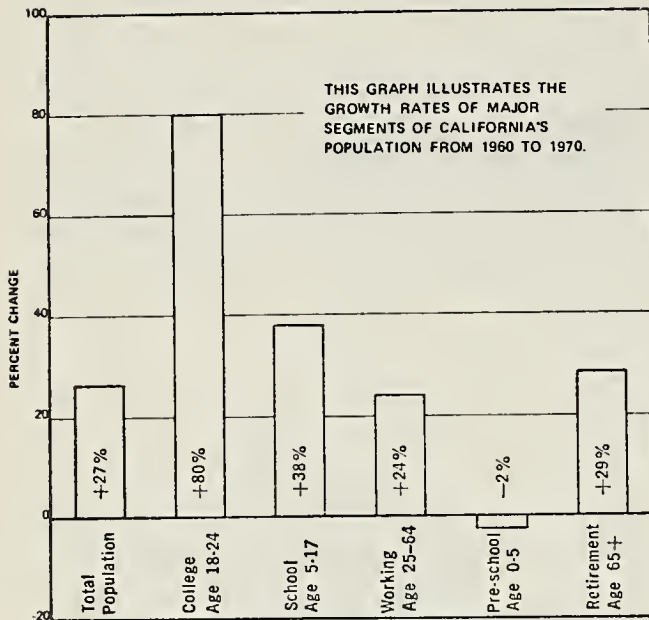


(A) Does not include capitol construction funds.

Education K-12

Education K-12 activities represent the largest block of state expenditures for education. Since programs are administered by local school districts, it is difficult, with the present data system, to determine how equitably and effectively the state dollars have been spent. During the past year, efforts have been underway to examine in depth the effectiveness of the current system for allocating state aid to public schools, the management efficiency of the local school district, the direction of education

CHART 14
CALIFORNIA GROWTH RATE 1960 TO 1970



SOURCE: CALIFORNIA DEPARTMENT OF FINANCE
FINANCIAL AND POPULATION RESEARCH SECTION

in the 70's, and the system needed to assess the accomplishments in education. It is hoped that during the 1971-72 legislative session the results of these studies can be evaluated in light of improving the quality of public education in California.

PRESENT SYSTEM OF FINANCING CALIFORNIA'S PUBLIC SCHOOLS

Through the apportionment of state moneys, the state shares with the local school district the responsibility for maintaining the public school system. State funds are distributed through the principal apportionment. Additional state aid is given in the form of transportation allowances, free textbooks, education programs for the handicapped and disabled and other education programs to meet specific needs. The apportionment covers kindergarten through grade 12 and community college programs.

Foundation Program

The state guarantees a minimum level of support for education by assuring that the combination of the state and local funds meets a level defined as the Foundation Program. The state portion of the Foundation Program consists of basic aid and equalization aid. Further state aid is given to low-wealth districts in the form of supplemental support. The Foundation Program defines the level of support for a district in the amount of state aid necessary to meet that level. In 1970-71, the Foundation Program for large districts was established at \$488 for high schools ADA and \$355 for elementary ADA. ADA means average daily attendance and is a means of determining the pupil attendance of the schools. The amount of state aid is determined by subtracting from the foundation level the amount raised by a defined level

of local property tax. The amount raised by the property tax is referred to as district aid. Factors such as school size, district unification, and district size affect the level of the Foundation Program in a particular district.

Basic Aid

The Constitution requires that the public school system shall receive \$120 in state aid per ADA. The Legislature has modified this to provide a flat rate of \$125 per ADA to be given to each district regardless of its wealth. In 1971-72, \$665,561,500 in basic aid will be distributed by the state to 1,070 elementary, high school and unified school districts.

Equalization Aid

The state equalizes educational resources by guaranteeing districts whose district aid, together with the state basic aid, is insufficient to meet the level defined by the Foundation Program. The amount of equalization aid which a district receives is determined by subtracting the amount of district aid plus the basic aid of \$125 per ADA from the foundation level. In 1971-72, \$580,370,358 of equalization aid will be distributed by the state to elementary, high school and unified school districts. Included in this amount is \$88 million for continuation of the equalization aid cost adjustment which was initially provided in the 1970-71 budget.

CHART 15

COMPONENTS OF THE FOUNDATION PROGRAM

FOUNDATION LEVEL *

EQUALIZATION AID

1. Equalization Aid (State Funds) is equal to the amount necessary to bring the total to the foundation level.

DISTRICT AID

2. District Aid is the local contribution and is equal to the amount raised by the required property tax rate. This component varies according to the wealth of the district.

BASIC AID

3. Basic Aid (state funds) is \$125/A.D.A.

* The Foundation Level is \$355 for a large elementary district, and \$488 for a large high school district.

TABLE 3
Expenditures for Education
General Fund
(In Thousands)

EDUCATION	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Educational Research Com- mission -----	—	\$50	—
Department of Education ---	\$17,773	18,975	\$18,566
State Teachers' Retirement	1,160	1,431	1,287
Totals, Support, Educa- tion -----	\$18,933	\$20,456	\$19,853
HIGHER EDUCATION			
Coordinating Council for Higher Education -----	\$510	\$432	\$458
University of California ---	329,334	337,090	337,090
Hastings College of Law ---	958	1,256	1,299
State Colleges -----	284,963	310,597	315,972
Maritime Academy -----	808	804	791
Board of Governors of the California Community Colleges -----	674	872	980
State Scholarship and Loan Commission -----	13,002	16,997	20,000
WICHE -----	15	15	15
Totals, Support, Higher Education -----	\$630,264	\$668,063	\$676,605
Local Assistance			
Apportionments for public schools -----	\$1,422,168	\$1,453,241	\$1,453,400
Apportionments for public schools—One-time "X factor" ¹ -----	30,293	—	—
Instructional television ---	696	725	800
Compensatory education ---	10,834	11,000	11,000
Educational Improvement Act—One-time "X fac- tor" ¹ -----	4,941	—	—
Public elementary school reading instruction ---	14,434	18,000	18,360
One-time "X factor" ¹ ---	7,974	—	—
Mathematics Improvement program ² -----	924	925	—
Children's centers -----	8,716	10,400	19,750
Grants to teachers of phys- ically handicapped minors	149	150	150
Loans to teachers of educa- tionally handicapped minors -----	50	—	—
State school lunch program	500	—	—
Free textbooks -----	22,693	21,307	17,828
Assistance to public libraries -----	1,252	1,000	800
Vocational education ---	720	1,330	800
Teachers' retirement ³ ---	79,000	91,000	98,000 ⁴
Debt service -----	47,376	51,514	57,907
Assistance to new junior colleges -----	—	—	—
Community Colleges Ex- tended Opportunity Pro- gram -----	2,940	4,505	3,350
Totals, Local Assistance, Continuing Program ---	\$1,655,660	\$1,665,097	\$1,682,145 ⁴
Totals, Local Assistance, One-Time "X Factor" ---	\$43,208	—	—
One-time "X factor" transfer to State Con- struction Program Fund ¹ -----	\$49,000	—	—

¹ One-year appropriation, only.

² The statutory authorization for the Mathematics Improvement Program expires at the end of the 1970-71 fiscal year.

³ Current cash obligation only and does not include the annual prospective debt incurred.

⁴ In the budget year this includes \$26,000 from the General Fund and \$72,000 from the Teachers' Retirement Fund for state funds for teachers' retirement contributions.

Supplemental Support

Supplemental support is given to districts whose wealth is extremely low and whose tax rate is at least equal to a required minimum local effort. The maximum supplemental support that any elementary school district can receive is \$125 ADA. In 1971-72, \$29,120,842 in supplemental aid will be distributed

by the state to elementary, high school and unified school districts. Chart 15 illustrates the sources of support within the Foundation Program.

Contribution to Teachers' Retirement System

The state will contribute \$98 million in 1971-72 for the major share of benefits for approximately 43,000 retired teachers. This amount has been increasing at a rapid rate in recent years and will continue to accelerate in future years. Current conservative estimates indicate this payment will be approximately \$850 million by 2006-2007.

Both school districts and the state share in the employer contributions. The manner in which this benefit is funded is not directly related to the determination of fringe benefits for teachers. This decision process does not provide the school districts as the viable policy-setting mechanism a means to determine the level of fringe benefits for teachers.

HIGHER EDUCATION

California is experiencing continued rapid growth in higher education enrollment. In the California State Colleges, the expected growth in 1971-72 is 18,525 FTE students. This represents the equivalent of one complete campus.

The University will experience a smaller but still significant gain of enrollment of 4,326 FTE. The enrollment in the Community Colleges is estimated to increase to 563,295 ADA.

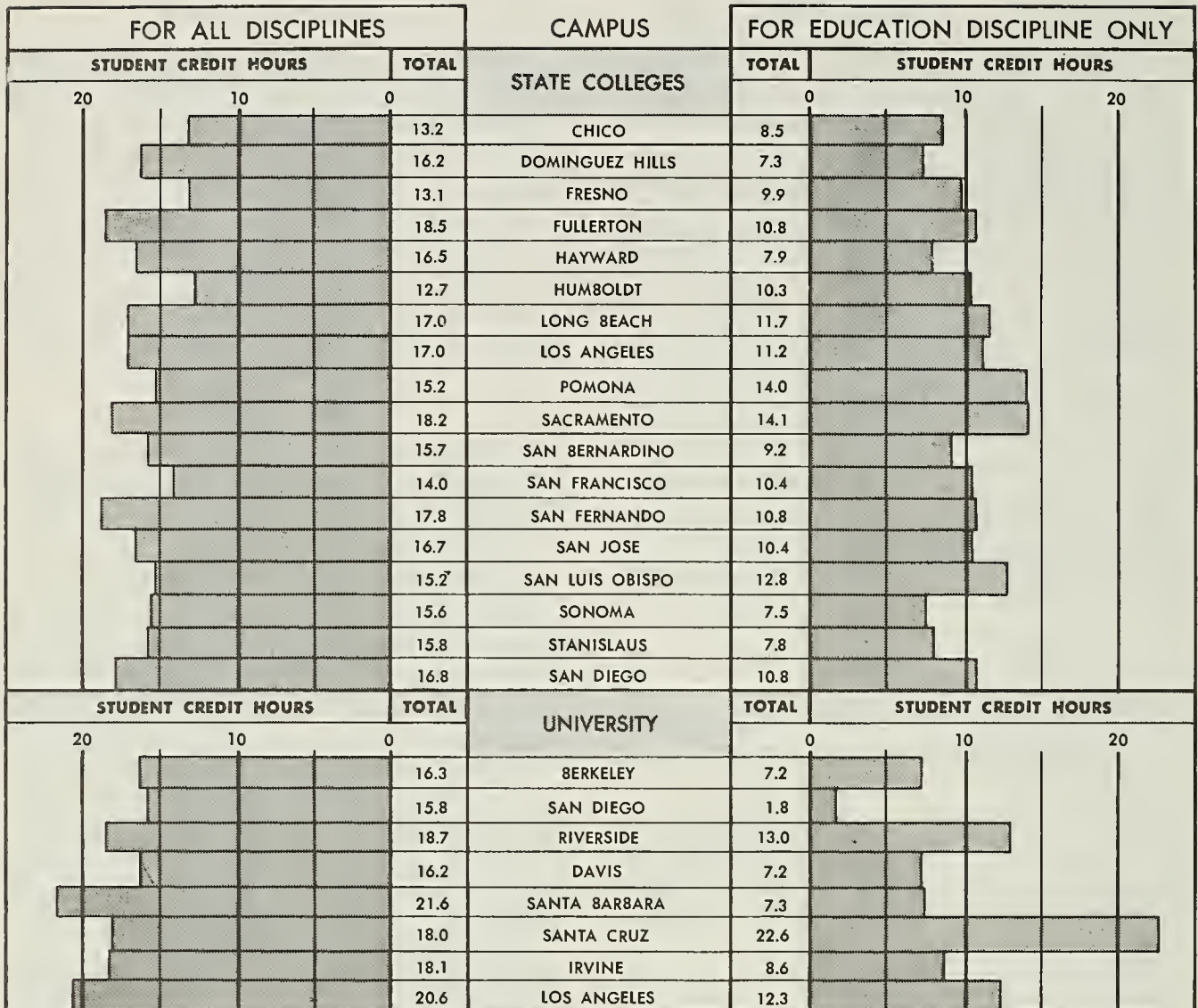
To meet the rising demands for higher education during the decade of the 1970's will require the University, State Colleges, and Community Colleges to explore every approach to increasing the productivity of higher education. Several possibilities for doing this have been suggested by leading scholars of the nation. The Carnegie Commission on Higher Education has recommended, for example, that college degrees be granted in three years instead of four. Studies conducted within California have identified several ways to increase the instructional productivity of California's segments of higher education.

Significant determinants of productivity are faculty, students, facilities, and courses. These can be examined in many ways, but one of the more significant indicators of productivity in higher education is the number of student credit-hours per faculty contact-hour. See Chart 16. Many factors influence this measure, including (1) the number and mix of graduate, upper division and lower division courses, (2) class size, (3) teaching methods employed, (4) the faculty workload in terms of class hours taught, and (5) capability of the students.

The issue for California is how can productivity of higher education be increased and the quality of education maintained. The answer to this question requires an intensive cost-effectiveness evaluation of the entire range of activity in higher education. For example, the experience of each segment, campus, and discipline, must be examined to see where and why significant variations or differences in productivity occur. Comparison of high-productivity programs on one campus with the low-productivity programs in the same discipline on other campuses may be helpful

CHART 16

AVERAGE STUDENT CREDIT HOUR PER FACULTY CONTACT HOUR



in revealing choices for decision makers. Decision makers can consider if the proportion of faculty time devoted to teaching low-productivity courses is as vital as teaching higher-productivity courses. The cost-benefit ratio in all programs can be analyzed to reveal other alternatives to attain the objectives of the educational program.

The 1971-72 budget of the California State Colleges recognizes that increases in productivity can be achieved through several important steps: (1) by having each faculty member teach up to the traditional classroom contact-hour standards; (2) by shifting the proportion of faculty time devoted to low productivity instructional activity through an increase in student-faculty classroom contact-hours; (3) by increasing average class size.

Through the analysis conducted on the instructional programs in the California State Colleges, it was possible to recommend a level of support which will admit and provide a program for an enrollment increase of 9 percent over the current year with a budget increase of 1.7 percent over the current year.

For the University it was possible through similar analysis to provide for a 4.3 percent increase in enrollment within the current-year level of support.

It is anticipated that additional productivity increases will be identified in the future as both the State Colleges and University devote more attention to these issues.

Another factor affecting productivity of higher education is facility utilization. Increasing the use of existing instruction space becomes more important each year as enrollments increase and the availability of funds for capital outlay purposes decreases.

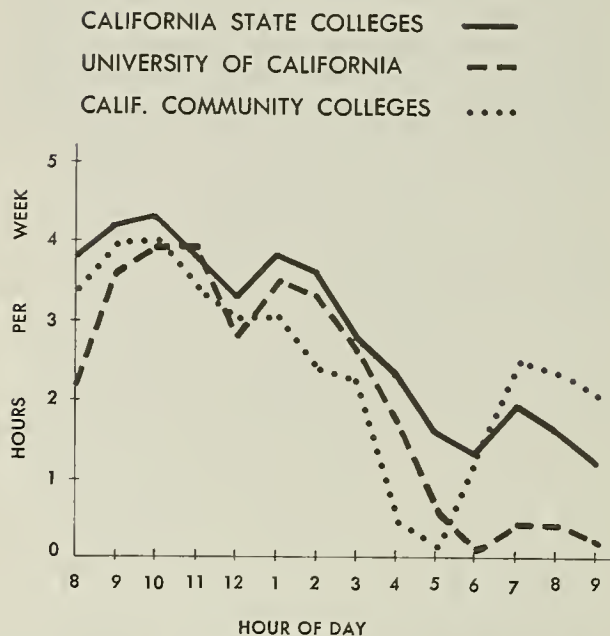
California has traditionally provided facilities for public institutions of higher education to meet enrollments projected for the daytime hours, 8 a.m. to 5 p.m., with the expectation that any additional enrollments resulting from an evening program would be accommodated in the same facilities. Since at least the late 1940's, varying standards have been set for the utilization of the classroom and class laboratories in these facilities.

The latest modification in the utilization standards was made by the Legislature in July 1970 through Assembly Concurrent Resolution 151, which directed that utilization rates for classrooms be applied to an 8 a.m. to 10 p.m., five-day week rather than the 8 a.m. to 5 p.m., five-day week traditionally used. The resolution, therefore, changed the utilization standard from 34 classroom hours per week out of a possible 45 to 53 hours per week out of a possible 70.

In their report, "1971-72 Inventory and Utilization Study for Public Higher Education, Fall 1969," the staff of the California Coordinating Council for Higher Education found that, among other things, (1) no segment achieved the weekly room-hour standard for classroom for either the 8 a.m. to 5 p.m. or the 8 a.m. to 10 p.m. period; (2) none of the segments achieves the weekly room-hour standard for either the lower division or upper division class laboratories for the 8 a.m. to 5 p.m. period; (3) utilization rates among the colleges within a segment vary widely. Chart 17 indicates the use of classrooms by hour in the three segments of California higher education in the fall of 1969. The chart shows that classroom usage

CHART 17

WEEKLY ROOM HOURS BY HOUR OF DAY CLASSROOMS FALL 1969



Source: CCHE report 1971-72 Inventory and Utilization Study for Public Higher Education, Fall 1969.

drops during late afternoon and evening hours. While these hours represent the less desirable times for scheduling, improved utilization during these hours provides an option to continued expenditures for new facilities.

Capital Outlay

State general funds for capital outlay in education and higher education are not provided in the 1971-72 budget. Bonds previously authorized for capital outlay purposes in the university and state colleges are fully committed and a bond issue for medical schools at the University was defeated last year. The balance of the uncommitted funds in the bond issue for construction in the community colleges, is included in the budget.

The continued growth of student enrollment together with the problems of funding capital outlay requires increased utilization of facilities in higher education.

In response to the action taken by the Board of Trustees of the California State Colleges, it is anticipated that legislation will be introduced during the 1971 Legislative Session which would establish an educational fee at the state colleges. If this legislation is successful, basic capital outlay needs for 1971-72 can be provided for, consistent with the policy already adopted by the Regents of the University of California.

Capital outlay expenditures for the state colleges in the amount of \$49,349,550 is proposed for the 1971-72 fiscal year. This total amount is from nonstate sources and will finance facilities such as residence halls, college unions, parking facilities, health centers and other special projects. Chapter 800, Statutes of 1970, established a special fund, "State College Facilities Revenue Fund" to finance student health centers and at the same time mandated these projects to be approved by the Legislature. Student health centers projects in the amount of \$12,852,300 are proposed for the 1971-72 fiscal year.

The proposed capital outlay program for the university in 1971-72 totals \$44,402,690. \$20,707,690 is provided for the general campuses and \$23,695,000 for health science facilities. \$23,900,000 of this amount is to be financed from education fee funds; \$14,356,000 is from federal sources; \$1,407,690 is from university overhead funds, and \$4,739,000 is from other nonstate sources.

Included in the 1971-72 budget for the Community Colleges is a proposed capital outlay program of \$18,262,849. Of this amount, the state's share is \$10,510,959, and will be matched by \$7,751,890 of district funds.

State Construction Programs

Capital outlay construction is divided into six basic programs. The most encompassing is the State Building Program which includes projected capital outlay requirements for publicly supported higher education, mental hygiene, corrections, and for office space. It also provides for meeting the requirements of such agencies as the Department of Conservation, Military Department, and the Department of General Services.

The State Highway Program is a quasi-legislative program designed to provide a safe, efficient, serviceable, and environmentally compatible system of state highways which will connect all major population centers and will provide for continuity of travel throughout the state and connect with major highways in adjacent states.

The District Fair Construction Program provides the funding for construction of facilities for district agricultural associations. The details of these projects will be found in a supplemental budget volume containing the budgets of the individual fairs.

The Wildlife Conservation Program, as administered by the Department of Fish and Game and the Wildlife Conservation Board, provides for the protection, propagation, and management of the state's fish and wildlife resources.

The Parks and Recreation Acquisition and Development Program consists of the continuing development of facilities to meet California's recreational needs. The 1971-72 budget of this program includes funds from the State Beach, Park, Recreational and Historical Facilities Bond Act of 1964 and from the new Recreation and Fish and Wildlife Enhancement Bond Act, approved by the voters in last November's election.

The California Water Facilities Program reflects the funding of the State Water Project as it enters its 10th year. The work under contract or completed on this project represents over 90 percent of the total project.

The sources from which the capital outlay budget is funded are described below:

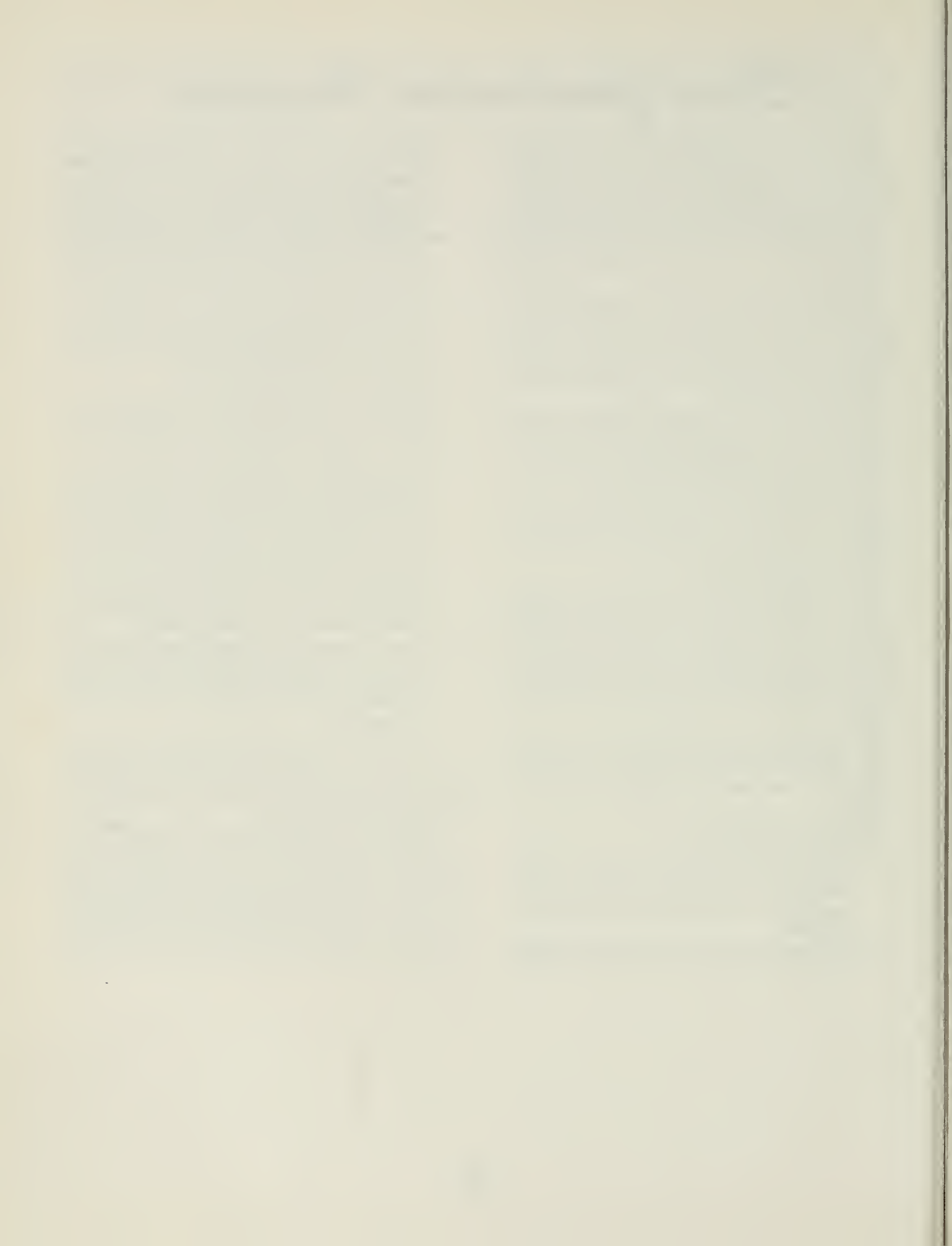
1. Current revenues and any accumulated balances in governmental cost funds. These are moneys collected in the form of taxes, license and permit fees, interest on investments, and similar items of income.
2. The proceeds from the sale of general obligation bonds which bonds are secured by the "full faith

and credit" of the state. Outstanding bonds of this kind are (a) State Construction Program bonds, and (b) State Beach, Park, Recreational, and Historical Facilities bonds. The repayment of principal and interest on such indebtedness constitutes a preferred claim on the financial resources of the state. Within this classification falls a special category referred to as "self-liquidating" bonds. Bonds in this category are the California Water Resources development bonds. In the case of this special grouping, such bonds although legally possessed by the characteristics of general obligation bonds are serviced from the revenues produced by the ventures or projects financed in this manner.

3. Revenue bonds are those that are secured solely by the income derived from the use or operation of the facilities funded by this method.
4. Trust certificates represent a form of capital financing which makes use of the large balances accumulated in trust accounts or funds of the state. Because such funds are dedicated to meet future obligations, sound fiscal management dictates the investment of the currently unneeded cash in these accounts and funds. One way of investing these moneys is by the purchase of trust certificates issued by the state for the construction of general purpose office buildings.
5. Nonstate funds such as endowments, grants, and certain other funds as payments of overhead charges on research projects conducted by the University represent yet another source of capital financing.

To provide a complete and comprehensive picture of the state's capital outlay program all proposed projects are included in the capital budget regardless of the source of financing.

Following the generally accepted principles of governmental accounting, however, only expenditures from governmental cost funds are included in the budget totals. Expenditures from bond proceeds and other forms of borrowing are excluded—such expenditures are reported as expenditures of the fiscal years in which the payments on principal and interest are made.



Revenue Estimates

State revenues during the 1971-72 fiscal year are estimated at \$6,536,854,393, approximately \$493 million above the amount anticipated during the current year, and \$794 million more than received during 1969-70. Of the \$6,536,854,000 *, approximately \$5,032,925,000 is for the General Fund and \$1,503,929,000 accrues to the various special funds.

Tax yields generally follow changes in economic activity. The increase in estimated revenue for 1971-72 over the current year reflects almost full economic recovery, bringing with it higher corporate profits, a reduced savings rate, improved housing and a substantial increase in personal income of Californians.

The revenue estimates assume continued price increases in 1971 and 1972 but at slower rates.

Revenue for the General Fund in 1971-1972 is estimated at \$5,032,925,000 or \$470,335,000 more than the current year and \$705,656,000 above the amount reported for 1969-70. Receipts in 1969-70 reflect the 10 percent income tax reduction sponsored by the Governor which saved California taxpayers \$82.6 million.

Actual 1969-70 receipts exceeded the original budget estimate, prepared 18 months earlier, by less than seven-tenths of 1 percent and were less than four-tenths of 1 percent below the estimate shown in last year's budget.

Estimated receipts for the special funds total \$1,503,929,000 or \$22,898,000 more than the current fiscal year and \$88,755,000 more than was received during 1969-70. Highway user levies make up the

bulk of special fund revenue. A temporary 1-cent gasoline tax increase in effect from June 1, through August 31, needed to finance repairs to roads damaged by floods in early 1969, inflated 1969-70 gasoline tax revenue by \$14,882,000.

Receipts for the General Fund and special funds for 1969-70, 1970-71 and the budget year are shown in Table 4.

REVISED ESTIMATES

In last year's budget, revenue for 1970-71 was estimated at \$6,123,486,000, of which \$4,704,128,000 was for the General Fund and \$1,419,358,000 for all special funds. Legislation enacted during the 1970 session added \$3.2 million in General Fund receipts and \$3.9 million in special fund revenue.

Economists were divided as to the 1970 economic outlook at the time last year's budget was being prepared. Those who believe that the money supply is of utmost importance (monetarists) predicted a recession with a gross national product of \$970 billion. The nonmonetarists, however, thought that real economic growth would continue and that GNP would total \$990 billion for the year.

Because each of these outlooks would have had a different impact on state revenue, two sets of estimates were prepared for the five revenue sources affected most by these different assumptions: sales and use taxes, personal income tax, bank and corporation taxes, inheritance tax and interest income. In order to minimize the maximum error, the average of the two estimates was used. This was a good decision as 1970 GNP is now estimated at \$977 billion, almost midway between the two forecasts.

Other considerations, however, will cause 1970-71 revenues to fall below the estimate prepared a year ago, the most important being the timing of the economic recovery. Last year's estimates were predicated upon a recovery starting in the third quarter of 1970. The current estimates assume a recovery beginning in the spring of 1971. In addition, the following economic factors are reducing receipts in 1970-71: (1) the high personal savings rate, (2) the General Motors strike, (3) lower than expected wage and salary income, and (4) depressed corporate profits.

Despite the fact that the average of last year's high and low estimates of total California personal income for 1970 is virtually the same as the current estimate, the distribution of income by components is different—less wages and salaries, more transfer payments. These factors contributed to the reductions in 1970-71 revenues now forecast.

TABLE 4
State Revenue Collections
(In millions)

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72	Percent of total 1971-72
Taxes, fees, etc.				
General Fund:				
Sales and use	\$1,753.6	\$1,810.0	\$1,970.0	30.1
Personal income	1,152.1	1,335.0	1,510.0	23.1
Bank and corporation	587.0	545.0	616.0	9.4
Inheritance and gift	164.3	176.7	202.4	3.1
Insurance	136.7	153.3	175.3	2.7
Cigarette	166.0	170.0	174.5	2.7
Alcoholic beverage	112.9	114.7	120.0	1.8
Horse racing	49.3	59.5	65.3	1.0
Private car	3.7	4.1	4.4	0.1
Other sources	201.7	194.3	195.0	3.0
Totals, General Fund	\$4,327.3	\$4,562.6	\$5,032.9	77.0
Special Funds:				
Motor Vehicle:				
Fuels	\$668.5	\$682.6	\$716.3	11.0
Registration, weight, etc. --	268.3	282.6	298.2	4.6
License fee	230.6	247.5	262.4	4.0
Transportation	23.5	25.0	26.6	0.4
Cigarette	70.9	73.0	74.5	1.1
Alcoholic beverage	12.4	13.0	13.0	0.2
Horse racing	8.9	8.5	8.9	0.1
Other sources	131.9	148.8	104.0	1.6
Totals, Special Funds	\$1,415.2	\$1,481.0	\$1,503.9	23.0
TOTALS	\$5,742.4	\$6,043.6	\$6,536.9	100.0

* This and subsequent dollar amounts have been rounded. Totals, differences and percentages have been computed from whole numbers.

A summary of the original estimates adjusted for legislation, and the revised estimates shown in this budget are given in Table 5.

TABLE 5
COMPARISON OF ORIGINAL AND REVISED
ESTIMATES OF STATE REVENUE 1970-71
(In millions)

	Original *	Revised	Change	
			Amount	Percent
Taxes, fees, etc.				
Alcoholic beverage	\$129.2	\$127.7	-\$1.5	-1.2
Bank and corporation	582.5	545.0	-37.5	-6.4
Cigarette	228.0	243.0	15.0	6.6
Horse racing	68.5	68.0	-0.5	-0.8
Inheritance and gift	184.0	176.7	-7.3	-4.0
Insurance	151.8	153.3	1.5	1.0
Motor Vehicle:				
Fuel	670.2	682.6	12.4	1.9
License	250.0	247.5	-2.5	-1.0
Registration, weight, etc.	276.7	282.6	5.9	2.1
Transportation	25.0	25.0	-	-
Personal income	1,419.5	1,335.0	-84.5	-6.0
Private car	3.8	4.1	0.3	7.9
Sales and use	1,848.4	1,810.0	-38.4	-2.1
Totals, Taxes	\$5,837.6	\$5,700.5	-\$137.0	-2.3
Other revenue	293.0	343.1	50.1	17.1
Totals, Revenue	\$6,130.6	\$6,043.6	-\$86.9	-1.4
General Fund	4,707.3	4,562.6	-144.8	-3.1
Special funds	1,423.2	1,481.0	57.8	4.1

* Adjusted for legislation enacted in the 1970 Regular Session.

NATIONAL ECONOMIC OUTLOOK

The 1971 economic outlook, used in developing the 1971-72 budget revenue forecasts, is based on three major assumptions:

1. Monetary policy will be eased during 1971, to further strengthen the lending position of financial institutions.

2. Fiscal policy will be stimulative on a selective basis. Increased funds will be made available to support the housing market and other civilian sectors. Defense spending will continue to decline as the Vietnam war is scaled down. Cuts in procurement of goods will more than offset pay raises.

3. Inflationary pressures will continue although there will be some easing in the rate of price increases.

Gross national product is forecast at \$1,046 billion in 1971, an increase of \$69 billion (7.1 percent) from 1970. Personal consumption expenditures are projected at \$664 billion, an increase of \$47 billion. Strong growth is anticipated in sales of durables (+\$9 billion) as most of the auto sales deferred during the fourth quarter of 1970 are made up and sales of furnishings and household appliances increase as a result of the improvement in home building. Expenditures on nondurable goods are expected to rise slightly less rapidly in 1971 than in 1970. Services will increase at approximately long-term rates.

Trends in the investment sector will be mixed. Residential building is expected to be up sharply this year. Recent moves to lower interest rates on mortgages are likely to increase demand for new housing and stimulate the turnover of existing homes. It is estimated that 1,550,000 private housing units will be started in 1971, up from 1,462,700 in 1970. With an increasing proportion of single units, residential investment is forecast at \$35 billion, a gain of 17.8 percent from 1970. In contrast, only a slight gain is anticipated for investment in nonresidential structures and producers' durable equipment.

Investment in inventories will rise from the unusually low level of 1970, bolstered by replacement of auto stocks depleted during the 1970 General Motors strike and hedge buying of steel in anticipation of a strike after July 31. For the year, inventories are expected to increase by \$8 billion.

It is likely that restraints on federal spending will continue in 1971. Defense expenditures have fallen since the fourth quarter of 1969 and are likely to ease further before leveling, possibly in the second half of this year. For the year as a whole, the defense component will be \$5 billion less than in 1970. Other federal expenditures will rise substantially. State and local spending is expected to increase at a slightly faster rate next year as a result of easing in allowable interest rates which may be paid on state and local debt issues.

The labor force will grow by 2.3 percent. Employment, however, is expected to rise by only 1.5 percent during the year, as increases in production will be achieved first by more intensive utilization of workers currently employed and a greater use of overtime before new persons are added to the work force. Unemployment will therefore average 4.8 million for the year, or 5.7 percent of the labor force. This is slightly below the year-end 1970 rate.

Personal income is expected to rise 6.6 percent to \$854 billion, an increase of \$53 billion. Most of the increase will be accounted for by three components: wages and salaries, up \$36 billion; transfer payments, +\$11 billion; and interest income, +\$5 billion. Gains in other components will be relatively small. Contributions for social insurance are estimated up \$5 billion as a result of the higher rate for social security contributions effective January 1, 1971.

Changes made by the Tax Reform Act of 1969 will hold down the growth in personal taxes by about \$3 or \$3.5 billion from what would have been projected had the act not been in effect. Disposable income has been forecast at \$735 billion. With personal outlays at \$683.6 billion, personal savings will amount to \$51.4 billion and the savings rate to 7.0 percent. At this level, the savings rate will be down slightly from the 1970 average of 7.3 percent. This will provide support for the relatively stronger levels of personal consumption forecast for the year.

Corporate profits will improve with higher levels of production and sales. Profits for 1971 are estimated at \$90 billion, an increase of 8.6 percent from 1970. The more moderate price rises forecast for the year will hold the inventory valuation adjustment to \$4.5 billion.

Although easing of inflationary pressures is likely, price increases will nevertheless remain high. With prices in broad (GNP) terms up 4.2 percent for the year, the increase in real GNP will amount to 2.8 percent. The consumer price index is forecast up 4.6 percent. Wholesale prices have shown some softness in recent months, particularly prices for sensitive raw industrial materials. This slowdown should be reflected in the overall wholesale price index during the coming year. The increase in wholesale prices, therefore, has been estimated at 0.3 percent for 1971.

The outlook for 1972 is for continued strengthening of economic activity. Gross national product is

TABLE 6
ECONOMIC DATA
(Dollar amounts in billions)

National Data	1969 Actual	1970		1971	
		Estimated	Percent change	Forecast	Percent change
Gross national product -----	\$931.4	\$976.8	4.9	\$1,046.0	7.1
Personal consumption expenditures -----	577.5	616.8	6.8	664.0	7.7
Durable goods -----	90.0	89.4	-0.7	98.0	9.6
Nondurables -----	245.8	264.7	7.7	280.5	6.0
Services -----	241.6	262.7	8.7	285.5	8.7
Private investment -----	139.8	135.8	-2.9	148.0	9.0
Fixed investment -----	131.4	132.2	0.6	140.0	5.9
Residential -----	32.0	29.7	-7.2	35.0	17.8
Other -----	33.8	35.1	3.8	36.0	2.6
Producers' durable equipment -----	65.5	67.4	2.9	69.0	2.4
Change in inventories -----	8.5	3.6	-	8.0	-
Net exports -----	1.9	3.6	89.5	4.0	11.1
Government purchases -----	212.2	220.5	3.9	230.0	4.3
Federal -----	101.3	99.7	-1.6	96.5	-3.2
Defense -----	78.8	76.6	-2.8	71.5	-6.7
Other -----	22.6	23.1	2.2	25.0	8.2
State and local -----	110.8	120.8	9.0	133.5	10.5
Personal income -----	\$748.9	\$801.0	7.0	\$854.0	6.6
Less personal taxes -----	117.3	116.3	-0.9	119.0	2.3
Federal -----	95.9	91.7	-4.4	91.5	-0.2
State -----	21.4	24.6	15.0	27.5	11.8
Disposable income -----	631.6	684.7	8.4	735.0	7.3
Savings -----	37.6	50.0	33.0	51.4	2.8
Percent of disposable income -----	6.0	7.3	-	7.0	-
Corporate profits before taxes and inventory valuation adjustment -----	\$85.8	\$77.5	-9.7	\$85.5	10.3
Consumer price index (1957-59=100) -----	127.7	135.3	6.0	141.5	4.6
Wholesale price index (1957-59=100) -----	113.0	117.1	3.6	117.5	0.3
Index of industrial production (1957-59=100) -----	172.8	168.6	-2.4	176.0	4.4
Civilian labor force (000) -----	80,733	82,715	2.5	84,610	2.3
Employed (000) -----	77,902	78,627	0.9	79,770	1.5
Unemployed (000) -----	2,831	4,088	44.4	4,840	18.4
Unemployment rate (%) -----	3.5	4.9	-	5.7	-
California Data					
Personal income -----	\$83.4	\$88.9	6.6	\$94.3	6.1
Wages and salaries -----	57.0	59.7	4.7	62.9	5.2
Other labor income -----	2.9	3.1	6.2	3.3	6.8
Proprietors' income -----	6.9	7.2	3.7	7.4	2.6
Property income -----	11.6	12.4	7.0	13.2	6.3
Transfer payments -----	8.1	9.8	21.0	11.4	16.4
Less personal contributions for social insurance -----	3.1	3.3	5.6	3.8	14.6
Personal taxes -----	11.4	10.9	-4.7	10.9	0.2
Federal income tax -----	10.3	9.7	-5.6	9.5	-2.3
State income tax -----	1.1	1.2	2.7	1.4	21.7
Disposable income ^a -----	72.0	78.0	8.4	83.4	6.9
Taxable corporate profits -----	7.3	6.8	-6.9	7.5	10.3
Civilian labor force (000) -----	8,388	8,611	2.7	8,800	2.2
Employed (000) -----	8,016	8,091	0.9	8,180	1.1
Unemployed (000) -----	372	520	39.8	620	19.2
Unemployment rate (%) -----	4.4	6.0	-	7.0	-
Number of building permits (000) -----	183.3	190.0	3.7	190.0	n.c.
New car sales (000) -----	976	874	-10.4	950	8.7
Taxable sales -----	\$42.4	\$43.5	2.6	\$46.4	6.7
Consumer price index (1957-59=100) -----	128.9	136.0	5.5	142.0	4.4

^a Disposable income of California residents represents personal income less federal and state personal income taxes. Other personal tax and nontax payments have not been deducted.

NOTE: Totals may not add due to rounding. Percentages have been computed from unrounded data.

forecast at \$1,130 billion, a gain of 8 percent. Personal income will reflect improvement in the employment situation, rising to \$920 billion. Corporate profits will reach \$100 billion. Further moderation of price increases will hold the gain in the consumer price index to about 3.5 percent.

CALIFORNIA OUTLOOK

California population is estimated at 20,218,000 for July 1, 1971, a rise of 215,000 (1.1 percent) from 1970. Natural increase will account for 190,000 of the gain, with net migration adding 25,000. It is expected that the number of military personnel stationed in California will be reduced by 20,000 during the coming year.

The California labor force is expected to average 8,800,000 for 1971, an increase of 189,000 (2.2 percent) from last year's level. Civilian employment will rise by 89,000 to 8,180,000. As a result of this moderate employment growth, unemployment will average 620,000, or 7 percent of the civilian labor force. The service, finance, and transportation-utility sectors will continue to grow at recent rates. Employment in trade will increase moderately. The government sector will rise by 28,000. This estimate assumes that federal civilian employment, which has been declining through most of 1970, will level out at current levels; for 1971 as a whole, however, the federal component will average 7,000 below the 1970 figure. Local government employment is projected up 35,000.

Manufacturing will continue to be weak during the entire year. Additional cuts are expected in aerospace employment as a result of further declines in federal expenditures for defense and space programs. It is anticipated, however, that month-to-month job reductions will become gradually smaller during the year, as employment is readjusted to levels which can be maintained with the level of contract awards anticipated. Aerospace employment is expected to average 430,000 for the year. Other manufacturing employment has been running below year-ago levels in recent months, and will not show increases on this basis until mid-1971.

Construction activity will lend strength to the California economy during the year. Recent easing in mortgage rates will add considerable support to building activity as mortgage funds remain readily available. The federal low-income housing programs will also contribute to residential building. It is estimated that 190,000 housing units will be built. Demand is particularly strong for moderately priced single-family homes. It is estimated that 85,000 single units will be authorized. Apartment construction, however, may be lower in 1971 than in 1970. There are indications that vacancy rates are starting to rise in some areas of the state, suggesting that the number of multiple units authorized may decline during the second half of 1971 as the supply of new units exceeds existing demand. The number of multiple units has been forecast at 105,000 for the year.

Personal income will rise to \$94.3 billion, up 6.1 percent from the \$88.9 billion level estimated for 1970. All the major components of income will be up during

the year, with the largest gains in wage and salary payments (up \$3.1 billion), transfer payments (+\$1.6 billion), and property income (+\$0.8 billion). Largely as a result of the continuing aerospace readjustment, however, the California share of national personal income will decline from 11.09 percent in 1970 to 11.04 percent in 1971.

The outlook for 1972 suggests an improved economic situation for California. Stability of employment in the aerospace sector will do much to improve the entire economic outlook. Personal income is forecast at \$102 billion, a gain of 8.2 percent. The California/U.S. income ratio is also likely to rise slightly during that year. With the labor force up 170,000 and employment rising to 8,420,000, the jobless rate is expected to decline to about 6 percent.

GENERAL FUND REVENUE

Three-fourths of aggregate state revenue is deposited in the General Fund. This includes collections from such levies as those on sales of tangible personal property, personal income, corporate profits, and insurance premiums. For the most part, these taxes are geared directly to business conditions. Hence, the estimates of revenue from each source flow directly from the economic assumptions outlined above. The influence of these economic factors upon the various tax bases and the methods used in preparing the budget revenue estimates are summarized in the following material.

Sales and Use Tax—\$1,970,000,000

A 4 percent tax is imposed on the sale or use of tangible personal property for final consumption in California. An additional 1 percent tax is collected by the state for cities and counties, but is not state revenue and is not included in the budget totals. Also excluded from budget totals are the temporary one-half of 1 percent taxes levied in San Francisco, Alameda, Contra Costa and Los Angeles Counties for support of rapid transit districts.

There are many exemptions from the sales tax, the most significant of which are food sold for off-premises consumption, motor vehicle fuel for highway use, prescription drugs, and gas, electricity and water supplied by utilities. Since the tax applies only to tangible personal property, sales of all types of services are excluded, as are sales of other intangibles such as patents, copyrights and securities. Because buildings are real property rather than personal property, no tax is levied on the sale or rental of a new or existing building, but the materials used in construction are subject to tax.

The final consumer may be a business instead of a person, so the tax base includes products for business use such as industrial machinery and office supplies.

Taxable sales in 1970 are estimated at \$43.5 billion, 2.6 percent above 1969. Adjusted to constant dollars to eliminate the effects of inflation, 1970 sales are expected to be 1.4 percent below the 1969 level—the first such decrease since 1958. The two weakest areas in 1970 were building materials and motor vehicles. The

motor vehicle group suffered from the General Motors strike, but much of this loss is expected to be recouped early in 1971.

All major categories except manufacturing and wholesaling are expected to show good increases in 1971. Taxable sales of the automotive group will be particularly strong, up 10 percent or twice the long-term average gain. Sales of building materials will also show a strong increase over 1970. The manufacturing and wholesaling group will have a smaller than average growth, in line with the forecast of moderate plant and equipment expenditures. Price increases, though less than in 1970, will still represent about half of the overall increase in 1971 taxable sales.

Sales in 1972 are expected to reflect an economy almost completely recovered from the 1970 recession with all components showing good gains. However, price rises will still account for one-third of the 1972 increase.

Taxable sales are estimated by two methods. One method utilizes a multiple regression equation to estimate total sales in constant dollars using as dependent variables personal disposable income in constant dollars, the number of wage and salary workers in manufacturing and construction, the number of new vehicles sold, and the savings rate. Sales in constant dollars are then converted to current dollars by application of the appropriate price factor. A second estimate is made by classifying taxable sales into 15 homogeneous groups, each of which is related to an economic factor. The two estimates are then reconciled. The final results are shown in Table 7.

TABLE 7
Taxable Sales in California
(In millions)

	1969 (Actual)	1970 (Est.)	Percent change	1971 (Est.)	Percent change	1972 (Est.)	Percent change
Retail stores except auto and building	\$19,542	\$20,341	4.1	\$21,720	6.8	\$23,415	7.8
Motor vehicle dealers, auto parts, etc.	7,131	6,906	-3.2	7,630	10.5	8,335	9.2
Building material outlets (retail manufacturing and wholesale)	4,427	4,481	1.2	4,900	9.4	5,250	7.1
Manufacturing, wholesaling and miscellaneous outlets	11,278	11,750	4.2	12,150	3.4	13,000	7.0
Totals	\$42,378	\$43,478	2.6	\$46,400	6.7	\$50,000	7.8

Sales and use tax receipts, including revenue attributable to audit activities of the Board of Equalization, are shown below:

1969-70 (actual)	\$1,753,611,000
1970-71 (estimated)	1,810,000,000
1971-72 (estimated)	1,970,000,000

Personal Income Tax—\$1,510,000,000

The personal income tax is the second largest producer of state revenue, exceeded only by the sales tax. The income tax is based on the amount of taxable income received by the taxpayer. Taxable income is computed by deducting from income either (1) all itemized deductions, or (2) the standard deduction of

\$1,000 for single returns or \$2,000 for joint returns. Once the taxable income is determined, progressive rates ranging from 1 percent on the first \$2,000 of taxable income (\$4,000 for joint returns) to 10 percent on taxable income in excess of \$14,000 (\$28,000 for joint returns) is imposed to yield the computed tax. A credit of \$25 for single returns or \$50 for joint returns plus \$8 for each dependent is allowed against the computed tax to derive the taxpayer's actual liability.

In 1969, the Governor sponsored a one-time income tax reduction which reduced the tax due on 1969 incomes by 10 percent up to a limit of \$100 for single returns and \$200 for joint returns. The reduction was not applicable to the tax on income from estates, trusts or capital gains, and was allowed only to those who paid all their tax on time. This reduced tax revenue in 1969-70 by \$82.6 million.

Income tax revenue in the current and budget years is determined largely by the amount and type of income received by Californians in 1970 and 1971. In general, 62 percent of the revenue is attributable to wage and salary income, 15 percent to business income, 12 percent to property income (dividends, interest, and rent), 8 percent to capital gains, and 3 percent to miscellaneous income. This distribution fluctuates from year to year in response to (1) changes in the total amount of income received from each source, and (2) shifts of income among income brackets.

Income from the various sources is distributed differently among income brackets and is therefore subject to different average tax rates. These variations are illustrated in Table 8.

TABLE 8
Percent of Tax Attributable to Each Type
of Income by Income Class, 1969

Adjusted gross income	Wage and salary	Business	Property	Capital gains
\$0- \$9,999	12.4	2.2	4.8	1.0
\$10,000-\$24,999	61.0	21.2	22.3	9.0
\$25,000-\$49,999	17.4	37.4	25.7	14.0
\$50,000-\$99,999	5.9	27.2	20.6	15.0
\$100,000 and over	3.3	12.0	26.6	61.0
	100.0	100.0	100.0	100.0

Since each type of income is distributed differently, the tax attributable to each is estimated separately because of the graduated rate structure. The estimates of tax attributable to wages and salaries, dividends, interest and business income are derived from equations relating receipts from each tax to its personal income component. The receipts from capital gains are estimated by an equation using the value and turnover of stocks listed on the New York Stock Exchange. Estimated tax from rental and miscellaneous income are based on an analysis of past trends.

After deriving the projected self-assessed tax adjusted for legislation, the estimated receipts from the Franchise Tax Board's audit activities are added and the total income year assessments are adjusted to a fiscal year basis. Total revenue for the years covered by this budget is shown below.

1969-70 (actual)	\$1,152,053,000
1970-71 (estimated)	1,335,000,000
1971-72 (estimated)	1,510,000,000

Bank and Corporation Tax—\$616,000,000

Revenue collections in the current and budget years depend upon corporate profits from operations in California during 1970 and 1971. Income for 1970 has been estimated from a carefully selected stratified sample of 942 corporations doing business in 61 industry classifications representing approximately 50 percent of the tax base. The sample indicated that all major industry groups, except services and financials subject to the bank tax, will decline from 1969 levels.

Two methods were used to estimate California corporate income for 1971. One involved an analysis of the ratios of California to United States corporate profits in the postwar period. In general, taxable corporate income in this state varies less from year to year than corporate profits nationally because a larger percentage of our income is outside the volatile manufacturing industries.

The second method involved the estimation of major industry components based on the economic outlook. Results from the two methods were reconciled and the estimated income by major industry groups are shown in the following table.

TABLE 9
Taxable Corporate Income in California *
(In millions)

Industry	1969	1970	Percent change	1971	Percent change
Agriculture	\$85	\$80	-5.9	\$80	-
Mining and oil production	231	220	-4.8	250	13.6
Construction	215	200	-7.0	220	10.0
Manufacturing	2,693	2,290	-15.0	2,650	15.7
Trade	1,536	1,490	-3.0	1,550	4.0
Service	496	520	4.8	560	7.7
Financials subject to bank tax	582	620	6.5	640	3.2
Real estate and other financials	506	430	-15.0	500	16.3
Utilities	999	886	-11.3	966	9.0
Other	4	4	-	4	-
Totals	\$7,347	\$6,740	-8.3	\$7,420	10.1

* These figures represent an estimate of income of corporations with fiscal periods ending August 1 through July 31 of the following year.

Estimated receipts during 1970-71 and 1971-72 were reduced by approximately \$2 million and \$7 million, respectively, as a result of the ruling by the California Public Utilities Commission which allows utility companies to use one method of depreciation for setting rates and another for computing tax liability. This decision will result in a substantial and increasing reduction in future bank and corporation tax receipts.

After adding payments attributable to audit activities of the Franchise Tax Board and adjusting for legislation, total revenue is estimated as follows:

1969-70 (actual)	\$587,013,000
1970-71 (estimated)	\$545,000,000
1971-72 (estimated)	\$616,000,000

Cigarette Tax—\$249,000,000

An excise tax of 10 cents per pack is levied on nonmilitary distributions of cigarettes in California. Seven cents of this tax is for the state's General Fund and three cents is returned to cities and counties. The decline in per capita cigarette consumption, which began with the 1964 Surgeon General's report and was accelerated by the 1967 tax increase, appears to have ended in 1970. For the first time in seven years per capita consumption of cigarettes increased from the previous year. It is anticipated that the rise

in per capita consumption will be moderate in 1971 and will level off in 1972.

Civilian per capita cigarette consumption is estimated at 126.2 packs for both 1971 and 1972. This compares with 125.2 packs for 1970 and 123.4 packs for 1969. Revenues based upon the above factors are as follows:

	(In thousands)	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Totals		\$236,878	\$243,000	\$249,000
General Fund		165,955	170,000	174,500
Special fund		70,922	73,000	74,500

Inheritance and Gift Taxes—\$202,400,000

The inheritance tax is imposed on the right to inherit or otherwise succeed to property after a benefactor's death or property transferred in contemplation of death. Any other transfer of property made with donative intent by an individual is taxed under the state's Gift Tax Law. Both laws vary the rates of taxation according to the size of the transfer and the relationship of the recipient to the decedent or donor. An exemption is granted to each class of donee, and this decreases as the relationship recedes. The amount of state revenue from these taxes is therefore contingent upon the number of transfers made during the year, the value of estates or gifts at the time of death or transfer, and the relationship between the decedent or donor and the beneficiary.

Legislation was enacted in 1967 to increase certain tax rates and decrease and consolidate tax exemption classes for both laws. It also required county treasurers to remit inheritance tax collections biweekly rather than bimonthly. Gift tax law changes were fully effective in 1968-69. Inheritance tax changes will not be fully reflected until 1970-71 because 24 months is allowed after death before payment becomes delinquent and subject to interest charges.

Common stock constitutes the major component of bequests subject to inheritance and gift taxes, with a significant portion of inheritances also in the form of real property. The inheritance tax estimate is based on a weighted average of Standard and Poor's 425 stock index and assessed property valuations, adjusted for the lag between deaths and tax payments. The estimate of the gift tax is based on the Standard and Poor industrial stock index only. Securities steadily declined in value through 1969-70, depressing the value of estates appraised during the year. The market then turned upward in mid-1970; this increase is expected to continue through 1971 and into 1972.

Interest rates also affect inheritance tax receipts. The present law allows a 5 percent discount for payments made within six months of death. Because interest rates were high during 1969-70, the discount was less attractive and many payments were deferred. In addition, only a 6 percent annual interest is charged on payments not made within two years, likewise making it more desirable to pay the interest than liquidate estates yielding a higher rate of return. With a decline in interest rates in 1970-71 and 1971-72, it is anticipated that estates will be distributed more rapidly, thereby accelerating state collections. These factors will cause a substantial increase in inheritance tax collections in 1971-72.

Gift tax payments are expected to increase moderately in 1970-71 and somewhat more strongly in 1971-72, reflecting declining stock prices through mid-1970 and a recovery in the latter months and through 1971.

Receipts from these sources after adjustment for legislation enacted in 1970 are:

(In thousands)			
	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Inheritance tax	\$152,605	\$164,500	\$188,000
Gift tax	11,694	12,200	14,400
Totals	\$164,299	\$176,700	\$202,400

Insurance Tax—\$175,300,000

Insurance companies doing business in California pay an excise tax for that privilege based on the amount of gross premiums, less return premiums, attributable to business in the state. This tax is in lieu of most other state and local taxes, and is assessed at the constitutionally-established rate of 2.35 percent on most lines of insurance. Annuities, ocean marine and surplus line insurance are subject to different rates. The tax rate on gross premiums received from pension or profitsharing plan annuities has gradually been reduced from 2.35 percent in 1959 to one-half of 1 percent in 1969. All insurers with over \$5,000 tax liability in the previous calendar year are required to make three "prepayments" (each representing 26.5 percent of the previous year's liability) on May 15, August 15, and November 15; the remainder of the tax is due April 1 of the year following.

Although insurance companies pay local property taxes, they are allowed to deduct at least a portion of the tax on their principal office in California from their state tax liability. A "domestic" insurer—one organized under California law prior to December 31, 1966, and licensed to transact business here—may deduct the entire property tax paid on its principal office if occupied or under construction by January 1, 1970, whether or not the building is used exclusively for insurance business. All other insurers doing business in California are allowed to deduct only part of their tax based on the percentage of the principal office building actually occupied by the insurer.

In 1969, 128 companies claimed principal office deductions of \$9.8 million, an increase of \$2.2 million or almost 30 percent over 1968. Most of this increase can be attributed to domestic insurers who, before the January 1970 cut-off, acquired larger principal offices on which they deducted all property taxes. This deadline encouraged many companies to buy or build expanded facilities. As new buildings are completed and occupied the principal office deduction will increase even further. It is anticipated that \$13 million will be deducted from insurance companies' tax liability in 1970-71, and approximately \$15 million in 1971-72.

Estimates of premiums written during 1970 and 1971 are based on replies to a questionnaire sent to a sample of 91 insurance companies, representing over two-thirds of all taxable premiums written in California during 1969. These companies supplied their projections of percentage change in the volume of premiums to be written for specific major lines and

for total premiums. Based on the results of this sample, insurance tax revenue estimates are:

1969-70 (actual)	\$136,733,000
1970-71 (estimated)	153,300,000
1971-72 (estimated)	175,300,000

Alcoholic Beverage Taxes—\$133,000,000

Revenues from alcoholic beverages come from two main sources: excises on the distribution of beer, wine and distilled spirits, and license fees required for the privilege of manufacturing and selling alcoholic beverages to the consumer. Approximately two-thirds of the license fees are returned to local governments.

With the exception of sweet wine consumption which has been declining for many years, per capita consumption of alcoholic beverages has been steadily rising. A buildup of beer inventories took place in the spring of 1970 in anticipation of a strike which failed to occur. This inflated 1969-70 tax receipts but did not change calendar-year consumption.

Per capita consumption of alcoholic beverages by type are shown below:

Apparent Consumption Per Capita (In gallons)				
	1969	1970	1971	1972
Distilled spirits	3.65	3.70	3.79	3.86
Beer	27.63	28.58	29.30	30.09
Dry wine	2.92	3.33	3.70	4.10
Sweet wine	1.16	1.06	0.97	0.90
Sparkling wine	0.25	0.33	0.35	0.38

Revenues from liquor license fees are divided between the General Fund and the Alcohol Beverage Control Fund. The General Fund receives all fees for new licenses, services charges, fees to enforce fair trade regulations and all license transfer fees. In addition, 10 percent of all other fees (mainly calendar and fiscal year renewals) is transferred to the General Fund with the remainder apportioned to cities and counties.

Estimated collections for the current and budget years compared with the actual collections for the previous year are shown in Table 10.

TABLE 10
Alcoholic Beverage Taxes and Fees
(In thousands)

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Distilled spirits	\$89,793	\$92,000	\$96,000
Beer		13,775	14,900
Dry wine		440	500
Sweet wine	16,115 ^a	260	240
Sparkling wine		1,225	1,360
Totals, Excise Taxes	\$105,908	\$107,700	\$113,000
Liquor license fees	19,401	20,000	20,000
Totals, Taxes and Fees	\$125,308	\$127,700	\$133,000
General Fund	112,870	114,700	120,000
Special fund	12,438	13,000	13,000

^a Cannot be separated due to credits and adjustments.

Horse Racing Tax—\$74,200,000

Approximately 90 percent of horse racing revenue is derived from a tax on parimutuel wagering. The remainder consists of breakage (the odd cents not paid to winning ticketholders), unclaimed parimutuel tickets, occupational license fees, fines and penalties, and miscellaneous revenue.

Labor-management disputes caused the cancellation of 25 days of racing at Bay Meadows, 27 days at Santa Anita, and the rescheduling of 12 days at Los Alamitos in 1969-70 and 1970-71. The revenue loss attributable to these disputes was about \$7,200,000 in 1969-70 and \$300,000 in 1970-71.

Legislation in 1970 increased the total parimutuel pool takeout from 14 percent to 15.25 percent by revising the rate schedule and its application. The amount attributable to the increased takeout was allocated solely to the tracks and horsemen, with none of the increase going to the state.

Prior to the change in takeout, the state tax on parimutuel wagering was based on a progressive rate schedule ranging from 5 percent of the first \$10 million wagered to 8 percent of the handle in excess of \$125 million. The new tax rates range from 6.10 percent of the first \$20 million wagered to 7.45 percent of the handle in excess of \$180 million. The new application of these rates is as follows: A base rate of 6.10 percent is applied to the first \$20 million handled at each meet and one other rate, based on the estimated total handle of each meet, is applied to the amount over \$20 million. However, in any meet where the total handle is less than \$20 million only one tax rate—5.5 percent is applied.

When the new law became effective, three meets were in progress. This presented a problem concerning the application of the new rates with regard to these tracks. The California Horse Racing Board ruled that each of these three meets would be treated as two separate meets for tax purposes and the new rates would be applied accordingly. This decision, as opposed to treating them as one meet and applying the appropriate rate to the total handle of the entire meet, would have caused a loss in 1970-71 of \$684,000. The California Horse Racing Board offset a portion of the revenue loss associated with this initial decision by providing a total of 6 additional racing days at the tracks. The tax collected during these six days amounted to \$290,000.

Another measure enacted in 1970 provided for the allocation of 8 weeks of night harness racing at the California Exposition and Fair. These weeks will be in addition to the 11 weeks of harness racing cur-

rently allowed in northern California by the 1967 Horse Racing Law. This legislation will generate about \$125,000 in 1970-71 and \$475,000 in 1971-72.

Total parimutuel handle, total revenue, and the distribution of the revenue among the various funds is shown in Table 11.

Private Car Tax—\$4,400,000

Railroad cars owned by companies other than railroads are taxed by the state rather than by local governments. The statewide property tax rate during the preceding fiscal year is applied against assessed valuations as determined by the State Board of Equalization.

Based upon assessed value of \$41.8 million and a rate of \$9.93 per \$100 of assessed value, current year collections will total \$4,147,000. Actual collections in 1969-70 were \$3,739,000. Collections for 1971-72 are estimated at \$4,400,000.

Nontax Receipts—\$195,041,000

Miscellaneous receipts for the General Fund will total \$195,041,000 in the budget year, an increase of only \$779,000 from the corresponding figure for the current period and down \$6,620,000 from 1969-70. Miscellaneous revenue is made up of five categories: medical aid reimbursements—\$52.2 million; interest income—\$53.1 million; pay patients and county board charges at hospitals—\$29.0 million; traffic penalties—\$16.4 million; and all other—primarily charges for certain services to business and individuals and sales of property—\$44.4 million.

SPECIAL FUND REVENUE

Provisions of the State Constitution, codes and statutes restrict the use of certain revenue for specified purposes, and these receipts are separately accounted in various special funds. In general, they comprise three categories of income: (1) receipts from broad tax levies which are allocated to specified functions; (2) charges for special services to specific groups; and (3) rentals, royalties and other receipts earmarked for particular purposes. Motor vehicle taxes and fees illustrate the first of these classes. License fees for the regulation of business and professions are typical of the second. Oil and gas royalties, now assigned primarily to capital outlay for public higher education and water development, are examples of the third. In addition, interest received by the investment of special fund money is deposited in the fund for which the investments are held.

Motor vehicle taxes and fees account for more than six-sevenths of all special fund revenue. Principal sources of this income are the motor vehicle fuel taxes, registration and weight fees, vehicle license fees, and the transportation tax. During the 1971-72 fiscal year, \$1,303,500,000 will be derived from the ownership or operation of motor vehicles. Approximately \$574.3 million of this revenue will be returned to local

TABLE 11
Sources and Distribution of Horse Racing Revenue
(In thousands)

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Total handle -----	\$790,636	\$921,400	\$990,000
Receipts:			
Parimutuel license fees --	52,831	61,950	66,850
Breakage -----	4,694	5,300	6,500
Unclaimed parimutuels --	497	475	550
Licenses, fines, penalties, miscellaneous -----	222	275	300
Totals, Revenues -----	\$58,244	\$68,000	\$74,200
Distribution:			
General Fund -----	\$49,331	\$59,481	\$65,284
Fair and Exposition Fund -----	8,163	7,769	8,166
Wildlife Restoration Fund -----	750	750	750

governments. The remainder, except for the proposed transfer of \$20,000,000 from the Motor Vehicle Transportation Tax Fund to the State School Fund, will be available for various activities related to state highways and services to vehicle owners.

Thirty percent of the cigarette tax revenue is now deposited in a special fund for distribution to the cities and counties. In 1971-72, receipts for this fund are estimated to be \$74.5 million.

Charges for special services to industry, business and the professions, together with hunting, fishing and liquor licenses and other regulatory fees, will amount to \$58.6 million in 1971-72. Rents, royalties and other miscellaneous receipts are estimated to total \$35.3 million. Interest from investments held for the various special funds is projected at \$23.1 million.

Motor Vehicle Fees—\$560,600,000

Registration, weight and vehicle license fees contribute the bulk of revenue from this source, with various fees incidental to vehicle operation making up the balance. New vehicle sales in 1970 were reduced by approximately 50,000 vehicles in California as a result of the General Motors strike. It is anticipated that a major portion of this loss will be made up in 1971. New vehicle sales are estimated to total 1,420,000 in 1971 and are expected to reach 1,540,000 during 1972. Allowing for scrappage and vehicles entering and leaving the state, total fee-paid registrations at year-end are estimated at 13,625,000 for 1970, 14,345,000 in 1971 and 15,080,000 in 1972.

Based on these estimates, registration and weight fees will amount to \$274,400,000 in the budget year. Adding drivers' license fees and other revenues will bring the total to \$298,200,000. This represents an increase of \$15.6 million over the estimate for the current fiscal year and \$29.9 million over actual receipts during 1969-70.

A vehicle license fee is imposed for the privilege of operating a vehicle upon public highways in this state. It is computed at 2 percent of the depreciated value of the base price of the vehicle and is assessed on all vehicles subject to registration under the Vehicle Code. Revenue, therefore, is contingent upon the number of vehicles in the state, the age distribution of those vehicles, and their original base price. New car values are increasing and this trend is expected to continue. Because new vehicle sales were lower than expected during the latter half of 1970, renewal fees for 1971 will be somewhat depressed. However, this will be offset by the increased revenue from new car sales in early 1971 and will in turn result in higher renewal fees in 1972.

Total revenues from motor vehicle fees are shown below:

	(In millions)		
	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Vehicle license fees -----	\$230.6	\$247.5	\$262.4
Registration and weight fees -----	246.4	258.7	274.4
Drivers license fees -----	12.7	12.9	11.8
Other -----	9.3	11.0	12.0
Totals -----	\$499.0	\$530.1	\$560.6

Motor Vehicle Fuel Taxes—\$716,300,000

The forecast of revenue from motor vehicle fuel taxes is based on projected consumption of gasoline, diesel fuel and liquefied petroleum gas. Factors in the gasoline tax estimate include total vehicle registrations and average gasoline consumption per vehicle. Registrations are expected to reach 13,820,000 in 1970 and 14,553,000 in 1971. During 1969-70, gasoline consumption per vehicle was approximately 653 gallons, and consumption during 1970-71 and 1971-72 is estimated at 664 gallons. The seven cents per gallon tax rate is then applied to the total gallonage.

Highway consumption of diesel fuel and liquefied petroleum gas is estimated by projecting the trend of past collections with adjustments for changes in the economic outlook. Taxes are imposed at 7 cents and 6 cents per gallon of diesel fuel and LPG, respectively. Local buslines, however, pay only 1 cent per gallon for diesel fuel.

Consumption in 1971-72 will be held down because of 1970 legislation which exempted natural gas or liquefied petroleum when used in a system meeting the 1974 emission standards. This is anticipated to encourage a shift from gasoline to tax-exempt fuels.

Between June 1 and August 31, 1969, an additional 1 cent per gallon tax was imposed to finance repairs to roads that were damaged by the severe floods early in 1969. This special tax increased the 1969-70 gasoline tax collection by \$14,882,000 and use fuel revenue by over \$1 million.

Revenues from the motor vehicle fuel taxes are shown below.

	(In thousands)		
	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Gasoline -----	\$628,813	\$642,300	\$673,300
Diesel and LPG -----	39,724	40,300	43,000
Totals -----	\$668,537	\$682,600	\$716,300

Transportation Tax—\$26,600,000

The transportation tax is imposed at the rate of 1.5 percent of the gross receipts from the operation of motor vehicles for hire outside of municipalities. An analysis of trend, adjusted for anticipated economic conditions, indicates a level of \$26,600,000 for the budget year, and \$25,000,000 for the current year as compared with actual 1969-70 revenue of \$23,458,000.

Other Special Fund Revenue—\$104,013,000

For the most part, nontax revenue flowing to special funds represents regulatory fees on business and professions, charges for special services to designated groups and royalties from oil and gas production on state-owned land.

For the budget year, these revenues will total \$104,013,000 compared with \$148,812,000 in the current year. Actual receipts in 1969-70 were \$131,916,000.

TABLE 12

SUMMARY OF STATE POPULATION, INCOME OF CALIFORNIA RESIDENTS, AND STATE TAX COLLECTIONS

Excluding Departmental, Interest and Miscellaneous Revenue

Year	Estimated			Fiscal Year	State Tax Collections			Taxes per Capita			Taxes per \$100 of Personal Income		
	Population July 1st (Thousands)	Personal Income (Millions)	Income per Capita		General Fund (Thousands)	Special Funds (Thousands)	Total (Thousands)	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CASH BASIS													
1950	10,643	\$19,774	\$1,858	1950-51	\$647,992	\$295,542	\$943,534	\$59.52	\$27.15	\$86.67	\$3.28	\$1.49	\$4.77
1951	11,130	22,756	2,045	1951-52	709,245	322,699	1,031,944	62.30	28.35	90.65	3.11	1.42	4.53
1952	11,638	25,214	2,167	1952-53	754,048	346,480	1,100,528	63.53	29.19	92.72	2.99	1.37	4.36
1953	12,101	27,002	2,231	1953-54	772,250	442,538	1,214,788	62.74	35.95	98.69	2.86	1.64	4.50
1954	12,517	27,682	2,212	1954-55	831,899	467,814	1,299,713	65.19	36.66	101.85	3.01	1.69	4.70
1955	13,004	30,378	2,336	1955-56	972,828	524,765	1,497,593	73.18	39.48	112.66	3.20	1.73	4.93
1956	13,581	33,177	2,443	1956-57	1,042,773	554,713	1,597,486	75.13	39.97	115.10	3.14	1.67	4.81
1957	14,177	35,497	2,504	1957-58	1,069,809	572,490	1,642,299	73.99	39.59	113.58	3.01	1.61	4.62
1958	14,741	37,361	2,534	1958-59	1,170,890	594,587	1,765,477	77.98	39.60	117.58	3.13	1.59	4.72
1959	15,288	41,010	2,682	1959-60	1,443,296	633,492	2,076,788	92.66	40.67	133.33	3.52	1.54	5.06
1960	15,863	42,980	2,709	1960-61	1,537,347	656,815	2,194,162	95.39	40.76	136.15	3.58	1.53	5.11
1961	16,366	45,678	2,791	1961-62	1,645,300	669,267	2,314,567	98.90	40.23	139.13	3.60	1.47	5.07
1962	16,905	49,051	2,902	1962-63	1,791,038	711,185	2,502,223	104.06	41.32	145.39	3.65	1.45	5.10
1963	17,517	52,615	3,004	1963-64	2,057,962	813,937	2,871,900	115.82	45.81	161.63	3.91	1.55	5.46
1964	18,020	56,570	3,139	1964-65	2,161,157	931,958	3,093,115	118.39	51.05	169.44	3.82	1.65	5.47
1965	18,490	60,234	3,258	1965-66	2,398,958	971,625	3,370,582	128.49	52.04	180.53	3.98	1.61	5.60
1966	18,850	65,156	3,457	1966-67	2,422,275	993,277	3,415,552	127.12	52.17	179.38	3.72	1.52	5.24
ACCRUAL BASIS													
1966	18,850	65,156	3,457	1966-67	2,746,888	1,091,387	3,838,275	144.26	57.32	201.58	4.22	1.68	5.89
1967	19,232	69,936	3,636	1967-68	3,557,610	1,118,311	4,675,921	183.68	57.74	241.41	5.09	1.60	6.69
1968	19,506	76,900	3,942	1968-69	3,962,520	1,210,229	5,172,748	201.54	61.55	263.08	5.15	1.57	6.73
1969	19,817	83,408	4,209	1969-70	4,125,607	1,283,258	5,408,865	207.21	64.45	271.67	4.95	1.54	6.48
1970	20,003	88,885	4,444	1970-71 †	4,368,329	1,332,219	5,700,547	217.22	66.25	283.47	4.91	1.50	6.41
1971	20,218	94,300	4,664	1971-72 †	4,837,884	1,399,916	6,237,800	237.99	68.87	306.85	5.13	1.48	6.61

† Estimated.

Population estimated by the State Department of Finance.

Personal income, 1950 through 1969, from estimates by the Office of Business Economics, United States Department of Commerce. Data for 1970 and 1971 are estimates by the State Department of Finance.

Taxes per capita computed on the basis of population January 1st, the midpoint of the fiscal year.

NOTE: Data are shown for 1966-67 on both bases in order to facilitate long-term comparisons.

TABLE 13

COMPARATIVE YIELD OF STATE TAXES, 1950-51 THROUGH 1971-72

(In Thousands)

Year Ending June 30	Sales and Use	Personal Income	Bank and Corporation ¹	Cigarette	Inheritance and Gift	Insurance	Distilled Spirits	Horse Racing	Liquor License Fees	Beer and Wine	Private Car	Motor Vehicle Fuel ²	Motor Vehicle Fees ³	Transportation Tax
CASH BASIS														
1951	\$399,243	\$75,891	\$98,245	-	\$23,671	\$23,447	\$16,094	\$16,368	\$8,106	\$3,796	\$891	\$149,907	\$117,680	\$10,194
1952	417,693	90,914	120,127	-	29,165	25,732	14,430	20,042	7,828	3,730	1,089	162,076	127,809	11,312
1953	460,110	94,551	119,127	-	23,474	29,171	15,615	20,960	8,687	4,069	1,127	170,871	139,406	13,359
1954	465,051	96,169	125,026	-	24,112	34,325	15,546	22,512	8,586	3,989	1,222	234,395	170,519	13,337
1955	492,917	106,738	133,661	-	30,250	38,501	16,108	22,838	9,213	4,172	1,301	244,588	185,505	13,921
1956	564,225	127,816	157,088	-	36,334	39,104	33,970	24,891	9,638	4,373	1,330	273,086	209,817	15,921
1957	600,102	143,290	167,431	-	38,540	42,529	34,902	26,695	10,616	4,361	1,424	291,364	219,266	16,965
1958	605,238	149,269	173,599	-	45,331	46,037	33,963	25,948	11,297	4,595	1,590	302,671	227,153	15,609
1959	631,514	160,553	174,003	-	44,943	105,832	36,685	28,087	11,962	5,129	1,712	317,709	236,177	11,171
1960	709,648	246,585	240,735	\$64,805	47,189	61,530	40,369	36,288	12,379	10,016	1,613	336,786	256,303	12,543
1961	711,702	269,103	272,718	66,024	76,803	66,745	41,274	37,260	13,044	9,704	1,668	350,801	264,842	12,475
1962	749,523	299,034	290,870	66,054	76,012	71,699	45,418	38,311	13,533	10,495	1,753	363,771	274,906	13,187
1963	813,465	322,012	311,251	70,194	92,432	77,970	48,152	41,663	13,939	10,659	1,808	386,215	298,356	14,106
1964	876,944	392,341	405,431	71,822	102,195	107,200	50,145	43,442	14,274	11,299	1,846	450,195	329,584	15,183
1965	939,649	410,109	416,247	74,477	114,464	95,199	53,915	47,560	14,596	12,422	2,017	542,822	353,607	16,030
1966	1,096,162	454,625	435,597	74,578	123,781	100,854	56,718	47,443	14,878	12,606	2,205	551,108	382,656	17,373
1967	1,053,249	500,086	453,292	75,597	114,413	107,186	59,564	49,311	14,954	13,751	2,477	548,287	405,061	18,323
ACCRUAL BASIS														
1967	1,190,750	626,697	453,292	78,191	141,899	131,226	64,733	49,311	14,954	14,964	2,477	643,698	405,061	21,023
1968	1,464,927	952,487	576,874	219,272	135,554	121,155	81,700	54,799	15,736	13,196	2,932	580,487	437,918	18,882
1969	1,652,979	1,101,691	592,303	237,328	158,815	130,312	85,494	59,839	18,821	14,118	3,865	625,667	469,655	21,858
1970	1,753,611	1,152,053	587,013	236,878	164,299	136,733	89,793	58,244	19,401	16,115	3,739	668,537	498,992	23,458
1971	1,810,000	1,335,000	545,000	243,000	176,700	153,300	92,000	68,000	20,000	15,700	4,147	682,600	530,100	25,000
1972	1,970,000	1,510,000	616,000	249,000	202,400	175,300	96,000	74,200	20,000	17,000	4,400	716,300	560,600	26,600

¹ Includes the corporation income tax.² Motor vehicle fuel tax (gasoline), use fuel tax (diesel and liquefied petroleum gas).³ Registration and weight fees, motor vehicle license fees and other fees.

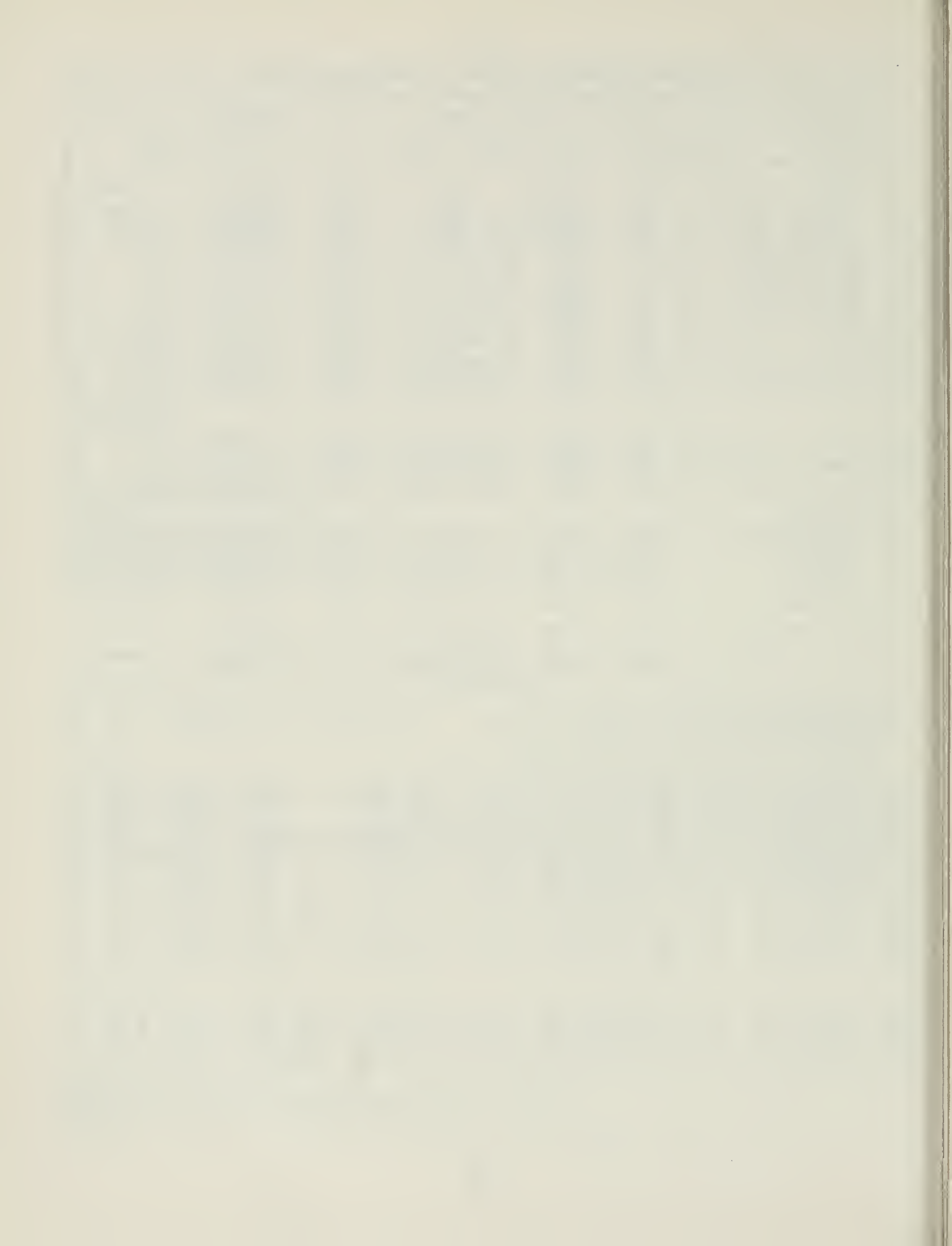
† Estimated.

NOTE: Data are shown for 1966-67 on both bases in order to facilitate long-term comparisons.

TABLE 14
OUTLINE OF STATE TAX SYSTEM AS OF JANUARY 1, 1971

Major Taxes and Fees	Reference		Base or Measure	Rate	Administering Agency	Fund
	Code	Sections				
Alcoholic Beverage Excises:						
Beer	R & T (1)	32151(a)	Gallon	\$0.04	Equalization (2)	General
Distilled spirits	R & T	32201(a)	Gallon	2.00	Equalization	General
Wine:						
Dry	R & T	32151(b)	Gallon	.01	Equalization	General
Sweet	R & T	32151(c)	Gallon	.02	Equalization	General
Sparkling	R & T	32151(d)	Gallon	.30	Equalization	General
Sparkling hard cider	R & T	32151(e)	Gallon	.02	Equalization	General
Bank and Corporation:						
General corporations	R & T	23151 23501	Net income	7.0% (3)	Franchise (4)	General
Banks and financial corporations	R & T	23181 23183	Net income	11.0% Max.	Franchise	General
Cigarette	R & T	30101	Package (5)	\$0.10 (5)	Equalization	Cigarette Tax Fund (6)
Gift	R & T	15206	Market value	3-24%	Controller	General
Horse Racing License	B & P (7)	19491	Amt. wagered Breakage	5.5-7.45% 0-100%	Horse Racing Board	Fair and Expo. (8), Wildlife Restoration and General
Inheritance	R & T	13404	Market value	3-24%	Controller	General
Insurance	R & T	12202	Gross premiums (9)	2.35% (9)	Insurance Comm.	General
Liquor License Fees	B & P	23320	Type of license	Various	Alcoholic Beverage Control Dept.	Alcohol Bev. (10) and General
Motor Vehicle:						
Vehicle license fees	R & T	10751	Market value	2%	Motor Veh. Dept.	Veh. Lic. Fee (11)
Fuel—gasoline	R & T	7351	Gallon	\$0.07	Equalization	Fuel (12)
Fuel—diesel	R & T	8651	Gallon	.07	Equalization	Fuel
Registration fee	Vehicle	9250	Vehicle	11.00	Motor Veh. Dept.	Motor Veh. (13)
Weight fees	Vehicle	9400	Unladen weight	Various	Motor Veh. Dept.	Motor Veh.
Transportation	R & T	9651	Gross receipt	1½%	Equalization	Transp. Tax (14)
Personal Income	R & T	17041	Taxable income	1-10%	Franchise	General
Private (Railroad) Car	R & T	11401	Valuation	(15)	Equalization	General
Retail Sales and Use	R & T	6051 6201	Receipts from sales of taxable items	4%	Equalization	General

- (1) Revenue and Taxation Code.
- (2) State Board of Equalization.
- (3) Minimum tax \$100 per year, not applicable to banks.
- (4) Franchise Tax Board.
- (5) This tax is levied at the rate of 5 mills per cigarette.
- (6) 30 percent of the cigarette tax is remitted to local jurisdictions.
- (7) Business and Professions Code.
- (8) For support of county fairs and similar activities.
- (9) Ocean marine insurance is taxed at the rate of 5 percent of underwriting profit attributable to California business. A special rate also applies to certain types of insurance and annuities.
- (10) For return to cities and counties.
- (11) For payment of administrative costs and apportionment to counties, cities and school districts.
- (12) For administrative expense and apportionment to state, counties and cities for highways, airports and small craft harbors.
- (13) For support of State Department of Motor Vehicles, California Highway Patrol, state highways and environmental protection.
- (14) For administrative expenses and state highways.
- (15) Average property tax rate in the state during preceding year.



Major Sections of The Budget

<i>Section</i>	<i>Page</i>
General Government	1
Agriculture and Services	65
Business and Transportation	93
Resources	121
Human Relations	181
Education	251



GENERAL GOVERNMENT



UNIVERSITY OF CALIFORNIA
BERKELEY

LEGISLATURE

GENERAL ANALYSIS

Article IV of the Constitution vests the legislative power of this state in a Senate and Assembly which are designated "The Legislature of the State of California."

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
I. Senate -----	\$6,505,716	\$7,524,500	\$7,477,500
II. Assembly -----	10,346,539	12,115,741	12,531,096
III. Joint expenses -----	5,313,312	7,530,081	6,583,762
TOTALS, PROGRAM -----	\$22,165,567	\$27,170,322	\$26,592,358
General Fund -----	25,429,196	24,975,057	25,792,358
Senate Contingent Fund -----	-143,412	418,600	-
Assembly Contingent Fund -----	-1,765,373	931,716	800,000
Contingent Funds of the Senate and Assembly -----	-1,354,844	844,949	-

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS

TOTALS, EXPENDITURES -----	\$22,165,567	\$27,170,322	\$26,592,358
General Fund -----	25,429,196	24,975,057	25,792,358
Senate Contingent Fund -----	-143,412	418,600	-
Assembly Contingent Fund -----	-1,765,373	931,716	800,000
Contingent Funds of the Senate and Assembly -----	-1,354,844	844,949	-

APPROPRIATIONS

Support, Item 1 (salaries of Senators) (General Fund) -----			\$780,000
Support, Item 2 (mileage of Lieutenant Governor, Senators and officers) (General Fund) -----			1,800
Support, Item 3 (expenses of Senators) (General Fund) -----			242,000
Support, Item 4 (Senate contingent expenses) (General Fund) -----			6,453,200
Support, Item 5 (salaries of Assemblymen) (General Fund) -----			1,560,000
Support, Item 6 (mileage of Assemblymen and officers) (General Fund) -----			3,600
Support, Item 7 (expenses of Assemblymen) (General Fund) -----			484,000
Support, Item 8 (Assembly contingent expenses) (General Fund) -----			9,682,996
Support, Item 9 (Penal Code revision) (General Fund) -----			173,762
Support, Item 10 (state's share, National Conference of Legislative Leaders) (General Fund) -----			1,000
Support, Item 11 (state's contribution to the National Advisory Commission on Intergovernmental Relations) (General Fund) -----			5,000
Support, Item 12 (printing, binding and mailing) (General Fund) -----			2,650,000
Support, Item 13 (expenses of joint committees) (General Fund) -----			3,755,000
Support, continuing appropriation, (Assembly Contingent Fund) -----			800,000

LEGISLATIVE COUNSEL BUREAU

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Legislative Counsel Bureau furnishes legal services to the Legislature including opinions, bill drafting, counseling, attendance as counsel at meetings of committees of the Legislature, and represents the Legislature in litigation. The attorney-client relationship is maintained and all work is confidential.

The office also indexes all bills introduced, maintains a statutory record and acts as editor and compiler of all state-published codes and the official publication of the statutes. The office also publishes the Legislative Index, Tables of Sections Affected, the Summary Digest and Compiled Statutes.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Legal services -----	116.1	128	127	\$1,700,145	\$1,922,520	\$1,997,474
Reimbursements -----				-74,750	-61,100	-65,000
NET TOTALS, PROGRAM (General Fund) -----				\$1,625,395	\$1,861,420	\$1,932,474

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	116.1	128	127	\$1,442,435	\$1,662,682	\$1,709,696
Staff benefits -----	-	-	-	132,566	155,287	166,456
Totals, Personal Services -----	116.1	128	127	\$1,575,001	\$1,817,969	\$1,876,152
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$67,415	\$65,869	\$76,722
Travel -----				17,310	23,000	24,000
Facilities -----				26,173	11,710	13,100
Equipment -----				14,246	3,972	7,500
Totals, Operating Expenses and Equipment -----				\$125,144	\$104,551	\$121,322
Total Expenditures -----				\$1,700,145	\$1,922,520	\$1,997,474
Reimbursements -----				-74,750	-61,100	-65,000
Net Expenditures -----				\$1,625,395	\$1,861,420	\$1,932,474

APPROPRIATION

Support, Item 14 (General Fund) -----						\$1,932,474
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REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----	\$5	-	-

LAW REVISION COMMISSION Headquarters Office at Stanford University

GENERAL ANALYSIS

The commission assists the Legislature in keeping the law up to date by intensively studying complex and controversial subjects, identifying major policy questions for legislative attention, gathering the views of interested persons and organizations, and drafting recommended legislation for legislative consideration. The commission also identifies deficiencies in the law that might not otherwise come to legislative attention and recommends corrective legislation.

The efforts of the commission permit the Legislature to devote its time to determining significant policy questions rather than having to be concerned with the technical problems in preparing background studies, working out intricate legal problems, and drafting needed legislation. The output of the commission thus permits the Legislature to accomplish needed reforms that the Legislature might otherwise not be able to effect because of the heavy demands on legislative time.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Totals, Law Revision (<i>General Fund</i>)--	7.3	8	8	\$159,703	\$168,599	\$169,000

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages-----	7.3	8	8	\$95,281	\$108,584	\$111,310
Staff benefits -----	-	-	-	8,330	11,544	11,493
Totals, Personal Services-----	7.3	8	8	\$103,611	\$120,128	\$122,803
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$22,737	\$20,300	\$23,284
Travel -----				4,464	6,900	5,850
Facilities expense -----				4,000	4,000	5,000
Contractual services -----				24,076	17,271	12,063
Equipment -----				815	-	-
Totals, Operating Expenses and Equipment-----				\$56,092	\$48,471	\$46,197
Totals, Expenditures (<i>General Fund</i>)-----				\$159,703	\$168,599	\$169,000

APPROPRIATION

Support, Item 15 (<i>General Fund</i>) -----						\$169,000
--	--	--	--	--	--	-----------

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
General Fund -----	\$306	\$325	\$350	

COMMISSION ON UNIFORM STATE LAWS

Office at Sacramento

GENERAL ANALYSIS

In conjunction with other states, the commission drafts and presents to the Legislature uniform laws considered desirable and practicable by the National Conference of Commissioners on Uniform State Laws. The commission is composed of 4 members appointed

by the Governor, the Legislative Counsel as a member ex officio, and 2 legislators. The program is maintained at the same level as previously authorized. Provision is made for the attendance of the commissioners at meetings of the national conference.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Continuing program costs (<i>General Fund</i>) -----	\$12,177	\$15,400	\$15,400
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
OPERATING EXPENSES AND EQUIPMENT			
General expense -----	\$10,468	\$10,650	\$10,650
Travel -----	1,709	4,750	4,750
Totals, Expenditures (<i>General Fund</i>) -----	\$12,177	\$15,400	\$15,400
APPROPRIATION			
Support, Item 16 (<i>General Fund</i>) -----			\$15,400

CONTRIBUTIONS TO LEGISLATORS' RETIREMENT FUND

GENERAL ANALYSIS

This program is designed to provide retirement and death benefits for legislators and constitutional officers. Contributions to the Legislators' Retirement System are an annual state appropriation from the General Fund. The system is also financed through member contributions and interest earnings.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Contributions to Legislators' Retirement (<i>General Fund</i>)-----	\$540,000	\$550,000	\$876,229

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Program increases are due to the increase of annuitants beyond prior expectations, cost of living increases, and increases in allowances resulting from the change in legislative base salary.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
Contributions to Legislators' Retirement Fund (<i>General Fund</i>)--	\$540,000	\$550,000	\$876,229
APPROPRIATION			
Support, Item 17 (<i>General Fund</i>) -----			\$876,229

JUDICIAL

GENERAL ANALYSIS

Article VI of the Constitution creates the Supreme Court of California and the courts of appeal to exercise the judicial power of the state at the appellate level, and creates the Judicial Council of California to administer the state's judicial system.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Supreme Court -----	76.4	77.5	77.5	\$1,738,616	\$1,808,881	\$1,842,811
II. Courts of Appeal -----	201.1	231.1	235.1	5,085,072	5,565,968	5,924,117
III. Judicial Council -----	29.7	32.2	32.2	1,008,251	1,089,305	836,126
TOTALS, PROGRAMS -----	307.2	340.8	344.8	\$7,831,939	\$8,464,154	\$8,603,054
Reimbursements -----				-13,081	-28,842	-29,383
NET TOTALS, PROGRAMS -----				\$7,818,858	\$8,435,312	\$8,573,671
General Fund -----				7,754,070	8,277,188	8,425,000
Motor Vehicle Fund -----				10,145	11,856	13,702
Federal funds -----				54,643	146,268	134,969

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

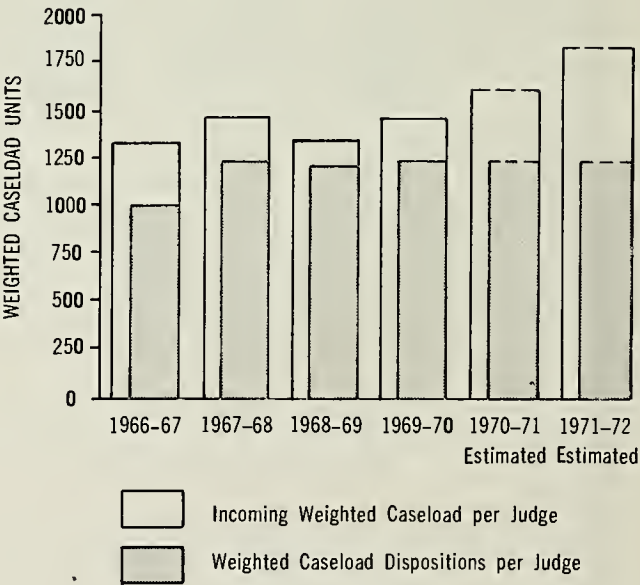
Central Research Staffs—Courts of Appeal

The 1970 Legislature added funds to the judicial budget to provide for the establishment of a central screening staff of research attorneys in the more heavily burdened courts of appeal. The \$150,000 budgeted in 1970-71 was sufficient to implement the program for the last half of the fiscal year and the centralized screening staff has been added in the First, Second and Third Appellate Districts in stages to meet the fund limitation. Full-year operation of the screening staffs in the budget year will cost an additional \$166,800. One additional attorney IV position is proposed in the budget year to provide screening staff services for the Fourth District. The incoming workload in this court as projected for 1971-72 would support the addition of two judges and their supporting staffs, but the council will not request additional appellate judgeships in 1971. For a graphic presentation of the workload of the courts of appeal in terms of weighted cases please see Chart 21. These estimates continue a level trend and do not include anticipated increases in productivity, expected to result from new procedures and new research staffing made available for the second half of the 1970-71 fiscal year. The new program was partially implemented in November and December 1970 and there are indications of an increased production. No projection can be based, however, on the information available as of the date of preparing this chart.

Staffing Increase for Workload

Petitions for hearing in the Supreme Court are increasing at the rate of 10 percent annually and the weighted caseload being filed in the courts of appeal, is increasing at an annual rate of 17 percent. Although much of this increase is being absorbed by present staff, these workload increases make it necessary to add an additional deputy clerk in the First and Second Appellate Districts. Since the Second District will soon complete its expansion to the eighth floor of the Los Angeles State Building, an additional janitor is also needed.

COURTS OF APPEAL
ANALYSIS OF ANNUAL WORKLOAD
PER AUTHORIZED JUDGE



JUDICIAL—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2							
3							
4	PERSONAL SERVICES						
5	Net salaries and wages -----	307.2	340.8	344.8	\$5,303,655	\$5,944,054	\$6,289,838
6	Staff benefits -----	-	-	-	344,904	406,805	460,616
7	Totals, Personal Services -----	307.2	340.8	344.8	\$5,648,559	\$6,350,859	\$6,750,454
8							
9	OPERATING EXPENSES AND EQUIPMENT						
10	General expense -----				\$439,235	\$434,454	\$454,713
11	Travel -----				40,722	44,463	44,977
12	Facilities expenses -----				795,622	572,852	573,994
13	Contractual service -----				67,188	136,379	123,192
14	Equipment -----				54,381	82,618	76,319
15	Extra compensation, expenses and staff for assigned judges -----				359,100	310,000	46,876
16	Criminal appeal fees -----				427,132	532,529	532,529
17	Totals, Operating Expenses and Equipment -----				\$2,183,380	\$2,113,295	\$1,852,600
18							
19	Totals, Expenditures -----				\$7,831,939	\$8,464,154	\$8,603,054
20	Reimbursements -----				-13,081	-28,842	-29,383
21	Totals, Expenditures -----				\$7,818,858	\$8,435,312	\$8,573,671
22	General Fund -----				7,754,070	8,277,188	8,425,000
23	Motor Vehicle Fund -----				10,145	11,856	13,702
24	Federal funds -----				54,643	146,268	134,969
25							
26	APPROPRIATIONS						
27							
28	Support, Item 18 (General Fund) -----						\$8,425,000
29	Support, Item 19 (Motor Vehicle Fund) -----						13,702
30	Other:						
31	Support, grants (Federal funds) -----						134,969
32							
33	REVENUES				ACTUAL	ESTIMATED	PROPOSED
34					1969-70	1970-71	1971-72
35							
36	General Fund -----				\$157,937	\$161,489	\$174,635
37							
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COMMISSION ON JUDICIAL QUALIFICATIONS

Headquarters Office at San Francisco

GENERAL ANALYSIS

The Commission on Judicial Qualifications has the authority to investigate and conduct proceedings against any California judge when there may be willful misconduct in office, willful and persistent failure to perform his duties, habitual intemperance, or disability of a permanent character seriously interfering with the performance of his duties. Information is received and examined, and consideration is given to charges filed, to determine if allegations are within the commission's jurisdiction. After a preliminary

investigation, the commission may conclude that formal proceedings should be instituted to inquire into the charges. The commission may then dismiss the proceeding or make recommendations to the Supreme Court which acts after reviewing the record. The recommendations of the Supreme Court may be for removal or retirement of the judge. The commission consists of five judges appointed by the Supreme Court, two lawyers appointed by the State Bar and two public members appointed by the Governor.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Process complaints against judges (General Fund) -----	2	2.1	2.1	\$49,178	\$43,926	\$44,000
RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	2	2.1	2.1	\$27,816	\$30,281	\$30,281
Staff benefits -----	-	-	-	2,890	3,229	3,326
Totals, Personal Services -----	2	2.1	2.1	\$30,706	\$33,510	\$33,607
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$1,899	\$1,872	\$2,090
Travel -----				2,224	2,887	3,071
Facilities -----				1,426	1,643	1,716
Contractual services -----				1,098	1,364	1,401
Investigation and hearing expense -----				11,749	2,500	1,500
Equipment -----				76	150	615
Totals, Operating Expenses and Equipment -----				\$18,472	\$10,416	\$10,393
Totals, Expenditures -----				\$49,178	\$43,926	\$44,000

APPROPRIATION

Support, Item 20 (General Fund) -----						\$44,000
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SALARIES OF SUPERIOR COURT JUDGES

GENERAL ANALYSIS

Under the provisions of Section 68206 of the Government Code, the state contributes toward the salary of each judge of the superior courts in accordance with the population of the county as determined by Section 68207 of the Government Code. The amount

budgeted is to provide the state's share of salaries for 443 judges in 1970-71 and 445 judges in 1971-72 as authorized by existing law. This represents an increase of 27 and 29 judges, respectively, over 1969-70.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
TOTALS, PROGRAM (<i>General Fund</i>)-----	\$9,163,695	\$10,484,809	\$10,910,220
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
LOCAL ASSISTANCE			
Salaries of Superior Court Judges (<i>General Fund</i>)-----	\$9,163,695	\$10,484,809	\$10,910,220
APPROPRIATION			
Local assistance, Item 21 (<i>General Fund</i>) -----			\$10,910,220

CONTRIBUTIONS TO JUDGES' RETIREMENT FUND

GENERAL ANALYSIS

The state contributes an amount equal to 8 percent of the salaries of the justices in the state's judicial system to the Judges' Retirement Fund.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
I. Judges' Retirement contributions for Supreme and Appellate Court Judges -----	\$154,183	\$176,622	\$178,763
II. Judges' Retirement contributions for Superior and Municipal Court Judges -----	2,905,876	1,743,073	2,059,000
TOTALS, PROGRAMS (<i>General Fund</i>) -----	\$3,060,059	\$1,919,695	\$2,237,763

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The budgeted amounts provide for the state's contributions for the number of judges authorized by law. The number of judges in each type of court are as follows:

Type of Court	Number of Judges		
	1969-70	1970-71	1971-72
State Operations:			
Supreme -----	7	7	7
Appellate -----	48	48	48
Local Assistance:			
Superior -----	416	443	445
Municipal -----	337	354	354

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
Judges retirement contributions for Supreme and Appellate Court judges (<i>General Fund</i>) -----	\$154,183	\$176,622	\$178,763
LOCAL ASSISTANCE			
Judges' retirement contributions for Superior and Municipal Court judges (<i>General Fund</i>) -----	\$2,905,876	\$1,743,073	\$2,059,000
APPROPRIATION			
State Operations, Continuing appropriation prescribed by Government Code Section 75101 (<i>General Fund</i>) -----			\$178,763
Local assistance, continuing appropriation (<i>General Fund</i>) -----			2,059,000

JUDGES' RETIREMENT FUND

GENERAL ANALYSIS

The Judges' Retirement Fund receives contributions from the state in the amount of 8 percent of the salaries for the established judgeships of the justices of the Supreme Court, the district courts of appeal, and of the superior and municipal courts. A like amount is deducted from the salaries of the justices and judges and deposited in the fund. It is anticipated that there will be 854 members contributing to the retirement fund during fiscal year 1971-72.

A Budget Act appropriation of \$1,100,000 was made in 1969-70 to maintain fund solvency. Chapter 1499, Statutes of 1969, instituted a small filing fee on first actions in superior and municipal courts. The fee is based on civil actions only, and is estimated to continue in 1971-72 at the 1970-71 level. Section 19.4 of the Budget Act of 1970 transferred \$250,000 to the General Fund on July 1, 1970.

FUND CONDITION	ACTUAL 1969-70	ESTIMATED 1970-71	ESTIMATED 1971-72
JUDGES' RETIREMENT FUND			
Beginning Resources, July 1 ^a -----	\$362,732	\$1,022,221	\$592,383
Receipts:			
Contributions from members -----	2,037,638	2,230,555	2,407,225
Contributions by state -----	1,960,059	2,169,695	2,237,763
Investment income -----	7,187	10,000	-
Budget Act appropriation -----	1,100,000	-250,000 ^b	-
Filing fees -----	812,960	1,356,000	1,356,000
Totals, Receipts -----	\$5,917,844	\$5,516,250	\$6,000,988
Totals, Resources -----	\$6,280,576	\$6,538,471	\$6,593,371
Less Disbursements:			
Retirement allowances, death benefits and refunds -----	\$5,258,355	\$5,946,088	\$6,321,139
Ending Resources, June 30 ^a -----	\$1,022,221	\$592,383	\$272,232

^a Fund statement shown on an accrual basis.

^b Transfer to General Fund, Section 1914, Budget Act of 1970.

GOVERNOR'S OFFICE

GENERAL ANALYSIS

Article V of the Constitution vests the supreme executive power in the Governor of the State of California who shall see that the law is faithfully executed. The principal office is maintained at Sacramento.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Governor's Office -----	91.9	86.4	86.4	\$1,561,836	\$1,547,188	\$1,658,232
II. Governor's residence (support) -----				17,400	17,400	17,400
III. Governor's residence (rental) -----				-	15,000	15,000
IV. Contingent expenses -----				15,000	15,000	15,000
TOTALS, PROGRAM (General Fund) -----				\$1,594,236	\$1,594,588	\$1,705,632

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

Governor's office -----	\$1,561,836	\$1,547,188	\$1,658,232
Governor's residence (support) -----	17,400	17,400	17,400
Governor's residence (rental) -----	-	15,000	15,000
Contingent expenses -----	15,000	15,000	15,000
Totals, Expenditures (General Fund) -----	\$1,594,236	\$1,594,588	\$1,705,632

APPROPRIATIONS

Support, Item 22 (General Fund) -----	\$1,658,232
Support, Item 23 (residence, support) (General Fund) -----	17,400
Support, Item 24 (residence, rental) (General Fund) -----	15,000
Support, Item 25 (contingent expenses) (General Fund) -----	15,000

Governor's Office

SECRETARY FOR AGRICULTURE AND SERVICES

Office at Sacramento

GENERAL ANALYSIS

As a member of the Governor's Cabinet, the Secretary of the Agriculture and Services Agency provides communication, coordination and policy guidance between the Chief Executive and the following departments: Department of Agriculture, Department

of Commerce, Public Employees Retirement System, State Fire Marshal, Franchise Tax Board, Department of General Services, State Personnel Board, Department of Consumer Affairs, Teachers' Retirement System, and Department of Veterans Affairs.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			

Administration of Agriculture and Services Agency (<i>General Fund</i>)-----	4	4.2	4.4	\$91,633	\$99,266	\$105,643
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RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages-----	4	4.2	4.4	\$77,625	\$80,718	\$86,342
Staff benefits-----	-	-	-	4,272	4,630	5,135
Totals, Personal Services-----	4	4.2	4.4	\$81,897	\$85,348	\$91,477
OPERATING EXPENSES AND EQUIPMENT						
General expense-----				\$5,560	\$7,118	\$6,466
Travel-----				3,820	6,500	7,200
Equipment-----				356	300	500
Totals, Operating Expenses and Equipment-----				\$9,736	\$13,918	\$14,166
Totals, Expenditures (<i>General Fund</i>)-----				\$91,633	\$99,266	\$105,643

APPROPRIATION

Support, Item 26 (<i>General Fund</i>)-----						\$105,643
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Governor's Office

SECRETARY FOR BUSINESS AND TRANSPORTATION

GENERAL ANALYSIS

Business and Transportation Agency

The Secretary for Business and Transportation serves as a member of the Governor's Cabinet and is the principal advisor to the Governor on the major policy and programs relating to transportation and business regulation. The secretary is responsible for assuring the efficiency and effectiveness of the departments within the agency and for eliminating overlapping functions and duplication of effort between departments. He also provides the communication link between the Governor and the departments for major fiscal and administrative matters.

The Business and Transportation Agency contains two groups of departments which are functionally related. The first group consists of the transportation-

oriented departments: The Department of Aeronautics, the Department of the California Highway Patrol, the Department of Motor Vehicles and the Department of Public Works. The second group consists of business regulatory departments: the State Banking Department, the Department of Corporations, the Department of Housing and Community Development, the Department of Insurance, the Department of Real Estate, the Department of Savings and Loan and the Department of Alcoholic Beverage Control. Also within the agency are the Office of Transportation Planning and Research and the Office of Traffic Safety.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Administration of Business and Transportation Agency (Motor Vehicle Fund) -----	4.1	4	4	\$107,146	\$112,200	\$114,100
RECAPITULATION BY OBJECT	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	4.1	4	4	\$75,916	\$80,161	\$80,800
Staff benefits -----	-	-	-	6,588	7,207	7,382
Totals, Personal Services -----	4.1	4	4	\$82,504	\$87,368	\$88,182
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$14,097	\$14,232	\$14,618
Travel -----				5,433	5,600	6,200
Facilities expense -----				4,497	4,500	4,600
Equipment -----				615	500	500
Totals, Operating Expenses and Equipment -----				\$24,642	\$24,832	\$25,918
Total Expenditures (Motor Vehicle Fund) -----				\$107,146	\$112,200	\$114,100
APPROPRIATION						
State Operations, Item 27 (Motor Vehicle Fund) -----						\$114,100

Governor's Office

SECRETARY FOR HUMAN RELATIONS

GENERAL ANALYSIS

The Human Relations Agency provides coordination and direction in matters relating to major programs and policy dealing with the human elements of our society. Nine agency departments carry out these programs, which deal with statewide problems in the areas of welfare, employment, delinquency, cor-

rections, rehabilitation, industry, labor, and health.

In addition to the five positions shown in the detail below there are a total of nine positions also under the administrative control of the Secretary's Office but funded by six of the Human Relations Agency departments.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Administration of Human Relations						
Agency	5	5	5	\$144,282	\$155,040	\$157,572
Reimbursements	-	-	-	-53	-	-
TOTALS, PROGRAM (General Fund)	5	5	5	\$144,229	\$155,040	\$157,572

HIGHLIGHTS OF PROGRAM

The 1971-72 budget provides for the continuation of the presently authorized level of service with minor increases for merit salary adjustments and economic factors.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages-----	5	5	5	\$98,735	\$105,284	\$105,848
Staff benefits-----	-	-	-	8,407	9,181	9,526
Totals, Personal Services-----	5	5	5	\$107,142	\$114,465	\$115,374
OPERATING EXPENSES AND EQUIPMENT						
General expense-----				\$18,813	\$16,965	\$17,644
Travel-----				6,327	9,131	9,496
Facilities expense-----				11,580	13,979	14,538
Equipment-----				420	500	520
Totals, Operating Expenses and Equipment-----				\$37,140	\$40,575	\$42,198
Totals, Expenditures-----				\$144,282	\$155,040	\$157,572
Reimbursements-----				-53	-	-
Net Expenditures (General Fund)-----				\$144,229	\$155,040	\$157,572

APPROPRIATION

Support, Item 28 (General Fund)	\$157,572
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Governor's Office

SECRETARY FOR RESOURCES

GENERAL ANALYSIS

The Resources Agency consists of the Departments of Conservation (including the State Lands Division), Fish and Game, Navigation and Ocean Development, Parks and Recreation, and Water Resources, the Air Resources Board, the Colorado River Board, the San Francisco Bay Conservation and Development Commission, the State Reclamation Board, the State Water Resources Control Board and the nine regional water quality control boards.

The secretary ensures that the Governor's policies and program objectives are communicated to the or-

ganizations in the Resources Agency, and provides the communication link between the Governor's office and the departments for major matters of fiscal management and administration. He exercises the authority of the Governor in adjudicating conflicts among organizations under his own jurisdiction and represents these organizations and the Governor in coordinating activities with other federal, state or local jurisdictions. The secretary is responsible for sound fiscal management of Resources Agency departments.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Administration of Resources Agency ---	6.9	10.3	10.3	\$184,586	\$215,349	\$213,100
Reimbursements -----				-1,873	-13,398	-
NET TOTALS, PROGRAM (General Fund)-----				\$182,713	\$201,951	\$213,100

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

A request for 1.5 man-years of clerical help is included in the 1971-72 fiscal year budget proposal. This clerical assistance had been provided by the various departments in the agency in prior years. This increase in clerical support covers the cost previously budgeted by the departments.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	6.9	10.3	10.3	\$104,491	\$128,405	\$147,809
Staff benefits -----	-	-	-	9,638	11,556	13,768
Totals, Personal Services -----	6.9	10.3	10.3	\$114,129	\$139,961	\$161,577
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$21,715	\$12,925	\$13,102
Travel -----				7,189	8,629	8,870
Facilities expense -----				19,028	19,016	19,051
Western Interstate Nuclear Compact support -----				5,230	14,770	10,000
Contractual services -----				17,275	19,548	-
Equipment -----				20	500	500
Totals, Operating Expenses and Equipment-----				\$70,457	\$75,388	\$51,523
Totals, Expenditures -----				\$184,586	\$215,349	\$213,100
Reimbursements -----				-1,873	-13,398	-
Totals, Expenditures, State Operations (General Fund)-----				\$182,713	\$201,951	\$213,100

APPROPRIATION

State Operations, Item 29 (General Fund) -----						\$213,100
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Governor's Office

OFFICE OF EMERGENCY SERVICES

Headquarters Office at Sacramento

GENERAL ANALYSIS

The increasing urbanization of the state is paralleled by an increase in the scope and effect of all disaster-caused situations, creating a greater need for the state to provide leadership, cooperation, and support to all agencies of government and to the general public in order to cope with emergency situations which occur with ever-increasing frequency.

The Office of Emergency Services is charged with the responsibility for development of a preemergency capability and for coordination of emergency functions to mitigate the effects of natural, manmade, or war-caused emergencies which result from conditions of disaster or extreme peril to life, property, and the resources of the state, and generally to protect the health and safety and preserve the lives and property of the people of the state.

The elements involved in carrying out these responsibilities are:

1. Assisting state agencies, local governments, and the general public in emergency situations by providing and/or arranging, through the mutual aid system, for resources and services which will save lives and reduce property losses.

2. Administering federal programs through which the state and its local jurisdictions may receive, for purposes of mitigating the effects of emergencies, appropriate services, materials, supplies, equipment, or funds; to ensure their effective utilization; and to provide for the accountability thereof.

3. Planning for and providing guidance and assistance to state and local agencies in adequately preparing and effectively utilizing federal, state, and local resources during emergency situations.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Emergency Mutual Aid Services	57.2	76	76	\$1,927,208	\$2,057,246	\$2,022,580
II. Administration—distributed to other programs	7.5	24.8	24.8	(566,998)	(370,399)	(374,986)
TOTALS, PROGRAMS ^a	64.7	100.8	100.8	\$1,927,208	\$2,057,246	\$2,022,580
Reimbursements:						
Federal				-248,483	-375,191	-331,512
Other				-2,491	-	-
NET TOTALS, PROGRAMS				\$1,676,234	\$1,682,055	\$1,691,068
General Fund				1,930,512	957,567	957,000
Federal funds				645,722	724,488	734,068
EXPENDITURES OF FEDERAL FUNDS NOT REPORTED ELSEWHERE						
Disaster relief				\$73,108,745	\$67,263,236	\$42,000,000
Matching funds to local governments for personnel and administrative expenses				2,251,363	2,529,648	2,656,130
Matching funds to local governments for civil defense equipment and training				995,000	830,000	750,000
TOTALS				\$76,355,108	\$70,622,884	\$45,406,130

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Chapter 1454 of 1970 repealed the California Disaster Act and enacted the California Emergency Services Act which redefines and reaffirms the responsibilities of this office. In line with this legislation, the California Emergency Plan is undergoing complete revision by this office. Necessary provisions for subsequent upgrading of all related annexes and supporting plan elements are programmed. These will provide guidance and assistance to state agencies and local governments in the preparation of emergency services plans, thus insuring consistency in planning at all levels of government.

In each recent year California has experienced disastrous floods and fires, the latter often resulting in abnormal damage of watershed areas and adjacent communities during heavy rainfall conditions. The ever-increasing population spread adds to the hazard potential. As the conduit for federal assistance for natural disaster grants and federal agency support, this office has enabled California to lead the nation in

the amount of federal money expended for declared major disasters. Nearly every county has been a beneficiary under widespread flood and fire disasters. Federal disaster relief funds for 1969-70 and 1970-71 were unusually high as a result of the severe 1969 flood disasters. The estimate for 1971-72 is based on a 5-year average of federal disaster relief funds received by California. The office is currently engaged in programs that will further broaden the base for such support and grant programs in California. This will include formulation of a more comprehensive disaster plan to provide assistance to individuals and private enterprises not presently covered by existing programs.

One of the major problems encountered during emergency situations is the provision of adequate information to public and private agencies and the general public. A redirection of effort is proposed to provide an increased capability in this area as well as

^a Does not include 30 personnel man-years authorized in the Office of Emergency Services and filled under contract with the Department of General Services during 1969-70.

Governor's Office

OFFICE OF EMERGENCY SERVICES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

in training of field forces to survey and evaluate damage and expedite processing of federal-aid program applications.

In addition to after-the-fact disaster assistance for governmental entities, the private sector and individuals, this office with increasing frequency coordinates the provision of direct firefighting support through its on-going Fire Mutual Aid Plan. This involves aid in the suppression of major large-scale fires found to be beyond the scope of a single firefighting agency. These actions included utilization of over 100 pieces of agency-owned or -controlled firefighting pumper and other equipment dispatched from as far north as Sacramento during the state's recent serious fire emergency affecting five southern counties which covered in excess of one-half million acres and damaged or destroyed over 1,000 structures. This joint state-agency-local government fire mutual aid capability coordinated by this office has proven extremely effective and receives a high degree of local support. Maintenance of the fire pumper replacement programs designed to support this vital mutual aid effort is programmed.

Similar support on an ever-increasing scale is being provided to local law enforcement agencies via the Law Enforcement Mutual Aid Plan, again coordinated by this office. Requests for mutual aid requiring

the provision of other local or state law enforcement resources to local government have been averaging 200 per year with an improved response capability programmed.

Basic nuclear emergency readiness activities required for continued federal financial support of this office, such as radiological defense instrument maintenance program, emergency broadcast system, community shelter program, war emergency warning system, and the surplus property program, have been carried out in concert with the federal government, other state agencies and local political entities. Utilizing federal contract funds, significant progress has been made in the community shelter program which identifies radiological fallout protected facilities for use by the public. Twenty-two of 58 counties have now been completed with five additional counties scheduled for completion during the ensuing budget cycle. Surplus property procurement in support of local government in emergencies is geared for a marked increase. Large quantities of surplus equipment useful in emergencies are being generated by the Vietnam phase-down.

Grant assistance to the state and local governments to support activities related to potential war-caused emergencies, as provided by the Congress at each session, will continue to be administered by this office.

Number of federal grants				1969-70	1970-71	1971-72			
69-70	70-71	71-72							
RELATED DATA									
STORMS AND FLOOD DISASTERS									
Disaster Declared by the State:									
Number of proclamations -----				5	4 *	4 *			
Number of counties -----				19	10 *	10 *			
Disasters Declared by the Federal Government:									
Number of declarations -----				2	- *	1 *			
Number of counties -----				18	8 *	8 *			
Federal Financial Assistance Grants Approved or in Process:									
\$500,000 or over -----	16	1	-	\$32,800,000	\$1,500,000	-			
Under \$500,000 -----	115	109	55	40,308,745	40,263,236	\$22,000,000			
Projected federal assistance -----				-	20,000,000 *	20,000,000 *			
Subtotals -----				\$73,108,745	\$61,763,236	\$42,000,000			
FIRE DISASTERS									
Disasters Declared by the State:									
Number of proclamations -----				-	6	-			
Number of counties -----				-	8	-			
Disasters Declared by the Federal Government:									
Number of declarations -----				-	2	-			
Number of counties -----				-	7	-			
Federal Financial Assistance Grants Approved or in Process:									
\$500,000 or over -----	-	2	-	-	\$3,000,000	-			
Under \$500,000 -----	-	10	-	-	2,500,000	-			
Subtotals -----				-	\$5,500,000	-			
TOTALS, FEDERAL ASSISTANCE -----				\$73,108,745	\$67,263,236	\$42,000,000			

* Estimates based upon a 5-year average.

Governor's Office

OFFICE OF EMERGENCY SERVICES—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2							
3							
4	PERSONAL SERVICES						
5	Net salaries and wages-----	64.7	100.8	100.8	\$795,626	\$1,136,110	\$1,152,061
6	Staff benefits -----	-	-	-	64,875	120,429	124,077
7	Totals, Personal Services -----	64.7	100.8	100.8	\$860,501	\$1,256,539	\$1,276,138
8							
9	OPERATING EXPENSES AND EQUIPMENT						
10	General expense -----				\$72,825	\$66,329	\$72,297
11	Travel -----				48,232	50,934	55,522
12	Facilities expense -----				85,469	86,510	87,168
13	Emergency services maintenance and supplies-----				224,948	236,589	264,184
14	Contractual services -----				315,964	113,345	89,436
15	Equipment -----				319,269	247,000	177,835
16	Totals, Operating Expenses and Equipment-----				\$1,066,707	\$800,707	\$746,442
17							
18	TOTALS, EXPENDITURES -----				\$1,927,208	\$2,057,246	\$2,022,580
19	Reimbursements:						
20	Federal -----				-248,483	-375,191	-331,512
21	Other -----				-2,491	-	-
22							
23	NET EXPENDITURES -----				\$1,676,234	\$1,682,055	\$1,691,068
24	General Fund -----				1,030,512	957,567	957,000
25	Federal funds -----				645,722	724,488	734,068
26							
27	EXPENDITURES OF FEDERAL FUNDS NOT						
28	REPORTED ELSEWHERE						
29	Disaster relief -----				\$73,108,745	\$67,263,236	\$42,000,000
30	Matching funds to local governments for personnel and admin- istrative expenses -----				2,251,363	2,529,648	2,656,130
31	Matching funds to local governments for civil defense equipment and training -----				995,000	830,000	750,000
32	TOTALS -----				\$76,355,108	\$70,622,884	\$45,406,130
33							
34	APPROPRIATIONS						
35							
36	Support, Item 30 (General Fund) -----						\$957,000
37	Support, grants (Federal funds) -----						734,068
38							
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46	REVENUES				ACTUAL	ESTIMATED	PROPOSED
47					1969-70	1970-71	1971-72
48							
49	General Fund -----				\$742	-	-
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Governor's Office

OFFICE OF INTERGOVERNMENTAL MANAGEMENT

GENERAL ANALYSIS

The Office of Intergovernmental Management, established by executive order of the Governor, reports to the Governor through the Lieutenant Governor and provides overall coordination for reporting, administration, and policy development for staffs of several independent councils, boards, and commissions. The

office is also responsible for the review and comment procedures established pursuant to the Intergovernmental Cooperation Act of 1968. Technical assistance is also provided to the 11 model cities in operation in the state.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Office of Intergovernmental Management	8	16	16	\$131,439	\$349,236	\$290,000
Reimbursements—other				-30,000	-	-
NET TOTALS, PROGRAM				\$101,439	\$349,236	\$290,000
General Fund				-	41,352	40,000
Federal funds				101,439	307,884	250,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The model cities activity which was previously presented as a separate program has been combined with

the OIM program for a more accurate program presentation.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages	8	16	16	\$93,934	\$192,270	\$195,814
Staff benefits	-	-	-	6,634	21,674	22,774
Totals, Personal Services	8	16	16	\$100,568	\$213,944	\$218,588
OPERATING EXPENSES AND EQUIPMENT						
General expense				\$4,302	\$14,242	\$21,600
Travel				15,925	32,800	24,300
Facilities expense				1,121	12,050	9,000
Contractual services				7,669	75,500	16,012
Equipment				1,854	700	500
Totals, Operating Expenses and Equipment				\$30,871	\$135,292	\$71,412
Totals, Expenditures				\$131,439	\$349,236	\$290,000
Reimbursements—other				-30,000	-	-
Net Expenditures				\$101,439	\$349,236	\$290,000
General Fund				-	41,352	40,000
Federal funds				101,439	307,884	250,000

APPROPRIATIONS

Support, Item 31 (General Fund)	\$40,000
Support (Federal funds)	250,000

Governor's Office

OFFICE OF PLANNING AND RESEARCH

GENERAL ANALYSIS

California's population growth with its continuing pattern of concentration in densely populated urban areas places ever-increasing demands on resources and facilities, as well as on economic, social and governmental institutions. There is a clear requirement at the state level, to more effectively manage our resources and promote the improvement of the quality of physical, human and economic development in a manner that will enhance the quality of the natural and human environment.

The Office of Planning and Research was created by Chapter 1534, Statutes of 1970, to function as staff to the Governor and his cabinet for long-range planning, to assist the Governor in carrying out his

executive responsibilities for orderly administration and management of state government, regarding recommendation, continuous evaluation and execution of statewide goals, policies and plans. The office is the comprehensive state planning agency and the principal objectives of this organization will be: (1) to provide a primary vehicle for policy development for the Governor; (2) to stimulate greater public involvement in the processes of state government; (3) to coordinate various federally funded state planning grants; and (4) to develop and transmit information and plans on policies of the executive branch, particularly in the field of environment, to the Legislature.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Totals, Office of Planning and Research	-	8	8.8	-	\$73,135	\$177,544
General Fund	-	-	-	-	43,047	84,957
Federal funds	-	-	-	-	30,088	92,587

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The legislation establishing the Office of Planning and Research which became effective on November 23, 1970, set forth specific program requirements without providing the necessary budgetary authorization. Limited efforts have been undertaken during 1970-71, utilizing funds transferred from the budget of the

State Office of Planning.

In 1971-72 the effort will be concentrated on developing for the Governor and the Legislature viable policy options for the problems facing our state in the '70s.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
PERSONAL SERVICES						
Net salaries and wages	-	8	8.8	-	\$56,857	\$129,106
Staff benefits	-	-	-	-	7,106	16,138
Totals, Personal Services	-	8	8.8	-	\$63,963	\$145,244
OPERATING EXPENSES AND EQUIPMENT						
General expense	-	-	-	-	\$5,615	\$9,580
Travel	-	-	-	-	400	1,500
Facilities expenses	-	-	-	-	3,157	5,220
Contractual services	-	-	-	-	-	16,000
Equipment	-	-	-	-	-	-
Totals, Operating Expenses and Equipment	-	-	-	-	\$9,172	\$32,300
TOTALS, EXPENDITURES	-	-	-	-	\$73,135	\$177,544
General Fund	-	-	-	-	43,047	84,957
Federal funds	-	-	-	-	30,088	92,587

APPROPRIATIONS

Support, Item 32 (General Fund)	\$84,957
Support (Federal funds)	92,587

OFFICE OF THE LIEUTENANT GOVERNOR

GENERAL ANALYSIS

The Office of Lieutenant Governor budgets the salary and expenses of the Lieutenant Governor and salaries, office and operating expenses for his staff.

The workload can be separated into three main activities: (1) Office services including administrative office functions, appearances and travel, personal correspondence, public requests for assistance and communication with the public. This involves four administrative and eight clerical employees. (2) General government involving the Lieutenant Governor's position on the Governor's Cabinet, the requirement to perform the duties of the state's Chief Executive during the Governor's absence, his position as President of the State Senate and his chairmanship on task forces to which he is designated by the Governor. This involves two administrative and three clerical employees. (3) Membership on the Board of Regents, the Trustee of the State Colleges, and the statutory boards and commissions on which he is a member or chairman. This involves one administrative and two clerical employees.

Office Services: The Lieutenant Governor maintains constant contact with citizens throughout the state who turn to him for assistance and who express their reactions to him regarding state government problems and proposed actions. As an independently elected constitutional officer and as second in command in state government, the office becomes an informal ombudsman receiving thousands of letters and phone calls each month covering all facets of state government. Many citizen complaints are referred directly to operating departments for assistance. But many inquiries are received because the complainant is requesting the Lieutenant Governor personally contact the state department in his behalf.

General Government: The Lieutenant Governor's role as next in succession to the Governor and as the state's chief executive in the Governor's absence is integrally woven to his membership on the Governor's Cabinet. The Cabinet meetings, related Governor's senior staff meetings, budget preparation meetings, legislative program meetings and ad hoc meetings to which the Lieutenant Governor is a participating member requires staff attendance and preparatory work.

Because of his role as President of the State Senate and his membership on so many boards and commis-

sions, the Lieutenant Governor is the only member of Cabinet who has many scheduling conflicts with these meetings in the Governor's office. In his absence the Lieutenant Governor is always represented by a member of his staff.

Board and Commissions: He presides as president of the Senate during its session. He is a regent of the University of California and a member of the Board of Trustees of the state college system. He is a member of the Governor's Cabinet, serves as chairman of the Commission of the Californias, the Interagency Council for Ocean Resources, the Governor's Environmental Policy Committee, the Governor's Task Force on Narcotics Enforcement and the Governor's Flood Task Force.

He is also a member of the State Lands Commission, the Commission on Interstate Cooperation, the California Emergency Council and the State Reciprocity Commission.

As chief executive officer for intergovernmental relations, the Lieutenant Governor is responsible for coordinating the functions of several independent statewide activities and preparing recommendations to the cabinet regarding the policies and programs for: federal grants-in-aid, federal legislative and administrative changes affecting the State of California and the maintaining of liaison between the State of California and local governmental jurisdictions. The staff to support these responsibilities is provided by the Office of Intergovernmental Management.

State agencies included within the group include the Office of Intergovernmental Management, the Council on Intergovernmental Relations, the Model Cities Liaison Group, the Environmental Quality Study Council, the California Public Service Education and Training Advisory Council, and the Intergovernmental Board on Electronic Data Processing.

In addition to the above responsibilities, California's electronic data processing long-range master plan designates the Lieutenant Governor the responsibility to implement programs and functions through the Office of Management Services to improve utilization of data processing in state government. Other agencies may be added in the future by executive order or interagency agreement.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Totals, Programs (General Fund)-----	9.2	13	21	\$232,494	\$237,700	\$360,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The constantly growing requirement for more coordinated and cooperative action by all levels of government in areas concerned with environmental improvement, urban renewal, solution of campus problems, protection of marine and coastal resources, plus a number of other social improvement activities, has made it essential that strong leadership be provided by the Office of the Lieutenant Governor.

This year, for the first time, the requested budget reflects the actual staff needs to perform these functions without relying on other staffs for assistance.

Noteworthy also is the fact that there is a substantial reduction in other budgets that last year were assigned to the Lieutenant Governor. Although not directly related to the increase in the Lieutenant Governor's budget, this net decrease more than offsets the increase for this budget.

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RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages-----	9.2	13	21	\$110,558	\$156,255	\$264,207
Staff benefits -----	-	-	-	9,284	15,345	26,420
Totals, Personal Services-----	9.2	13	21	\$119,842	\$171,600	\$290,627
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$31,803	\$29,600	\$47,290
Travel -----				13,015	10,800	15,883
Facilities expense -----				12,021	3,600	3,600
Contractual services -----				52,878	21,500	-
Equipment -----				2,935	600	2,600
Totals, Operating Expenses and Equipment-----				\$112,652	\$66,100	\$69,373
Totals, Expenditures (General Fund)-----				\$232,494	\$237,700	\$360,000
APPROPRIATION						
Support, Item 33 (General Fund) -----						\$360,000

COUNCIL ON INTERGOVERNMENTAL RELATIONS

Headquarters at Sacramento

GENERAL ANALYSIS

Chapter 1908, Statutes of 1963, created the Coordinating Council on Urban Policy as an advisory body in the office of the Governor. During 1965, the council was renamed as the Intergovernmental Council on Urban Growth. The Governor's Reorganization Plan No. 1 of 1968 changed the council's name to the present title, removed the council from the Governor's office and established it as a separate agency reporting to the Governor and to the Legislature, and transferred the local planning assistance program from the State Office of Planning to the council. Governor's Reorganization Plan No. 1 of 1969 made the council successor to the Regional Planning Advisory Committee, which was then abolished.

The council is composed of 18 members who are appointed by the Governor for four-year terms. Membership includes three city officers, three county offi-

cers, two school district officers, six state officers, and four public members. The city, county and school district members are appointed from lists of names submitted by the League of California Cities, the County Supervisors Association of California, and the State Board of Education, respectively. The public members are citizens from the private sector who have evidenced interest in state, regional and urban affairs. The act provides that the Governor appoint the chairman from among the public members. The state members include members of the Governor's Cabinet. Legislation approved in this past session and signed by the Governor adds two members of the Legislature to the council as nonvoting participants. These are the chairmen of the Assembly Committee on Local Government and the Senate Committee on Local Government.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Comprehensive Planning Assistance	8.2	9.2	9.2	\$144,483	\$215,604	\$228,796
II. Intergovernmental Problem Solving	1.5	3	2	43,620	54,396	38,204
III. Intergovernmental Information Systems	-	-	1.3	-	10,000	31,000
IV. Administration—distributed to other programs	-	-	-	(4,826)	(11,000)	(16,000)
TOTALS, PROGRAMS	9.7	12.2	12.5	\$188,103	\$280,000	\$298,000
Reimbursements—other	-	-	-	-	-10,000	-5,000
NET TOTALS, PROGRAM				\$188,103	\$270,000	\$293,000
General Fund				138,791	125,000	119,000
Federal funds				49,312	145,000	174,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The Council on Intergovernmental Relations, which is charged with the administration and allocation of the Comprehensive Planning Assistance Program, established new priorities for the allocation of funds. Funds will be directed toward intergovernmental activities involving housing, governmental management and environmental quality. The council published a study on the reallocation of public service responsibilities and initiated a project in the County of Santa Barbara for the implementation of the recommendations embodied in this report. The council, in con-

junction with the Department of Finance, undertook a study to determine economics of scale for public services. This was to determine at what level given services cost more than the benefits received. The council staff will be providing the administration to the Intergovernmental Board on Electronic Data Processing in this coming year. The council was also awarded a block grant in the amount of \$950,000. The council has also become involved in aiding Indian tribes in planning for housing and the development of reservations.

COUNCIL ON INTERGOVERNMENTAL RELATIONS—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2							
3							
4	PERSONAL SERVICES						
5	Net salaries and wages -----	9.7	12.2	12.5	\$119,553	\$148,978	\$158,002
6	Staff benefits -----	-	-	-	12,829	16,627	16,849
7	Totals, Personal Services -----	9.7	12.2	12.5	\$132,382	\$165,605	\$174,851
8							
9							
10	OPERATING EXPENSES AND EQUIPMENT						
11	General expense -----				\$23,878	\$30,895	\$28,536
12	Travel -----				19,368	29,300	29,480
13	Facilities expense -----				7,150	8,000	8,315
14	Contract services -----				5,184	44,950	55,568
15	Equipment -----				141	1,250	1,250
16	Totals, Operating Expenses and Equipment -----				\$55,721	\$114,395	\$123,149
17							
18	Totals, Expenditures -----				\$188,103	\$280,000	\$298,000
19	Reimbursements—other -----				-	-10,000	-5,000
20							
21	Net Expenditures -----				\$188,103	\$270,000	\$293,000
22	General Fund -----				138,791	125,000	119,000
23	Federal funds -----				49,312	145,000	174,000
24							
25							
26							
27	APPROPRIATIONS						
28							
29	Support, Item 34 (General Fund) -----						\$119,000
30	Support (Federal funds) -----						174,000
31							
32							
33	REVENUES				ACTUAL	ESTIMATED	PROPOSED
34					1969-70	1970-71	1971-72
35							
36							
37							
38	Revenues -----				\$34	-	-
39							
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ENVIRONMENTAL QUALITY STUDY COUNCIL

GENERAL ANALYSIS

The council conducts hearings and prepares studies leading to the definition of the interrelationship of resources management, land use and transportation policies and other matters, including noise emissions, that affect environmental quality and the determination of whether existing approaches to the protection, management, and improvement of environmental quality are adequate for effective, long-range solutions to the problems. The council prepares reports to the Legislature recommending appropriate action neces-

sary to effectively protect, manage, and improve environmental quality on a long-range basis. The council consists of the Secretary of the Resources Agency, the Secretary of the Business and Transportation Agency, the Chairman of the State Water Resources Control Board, the Chairman of the State Air Resources Board, seven public members appointed by the Governor, two members appointed by the Speaker of the Assembly and two members appointed by the Senate Rules Committee.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Environmental Quality Study Council	3.8	4.2	4	\$74,849	\$86,706	\$86,994
Reimbursements				-5,463	-	-
Net Totals, Program	3.8	4.2	4	\$69,386	\$86,706	\$86,994
General Fund				69,386	86,706	-
Environmental Protection Program Fund				-	-	86,994

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The council is scheduled to terminate at the end of the 1972 regular session of the Legislature. In addition, Chapter 1142, Statutes of 1970 provides that funds for necessary expenses are continuously appropriated from the Environmental Protection Program Fund.

A progress report containing 20 recommendations was submitted in February, 1970 to the Lieutenant Governor and Legislature. The recommendations

ranged from population distribution and air quality standards to nuclear power and noise. A result was SB 1108 requiring the Department of Aeronautics to hold hearings to consider noise and environmental factors prior to approving airports.

The council's study of the Malibu area, one of the few open space areas in the Metropolitan Los Angeles area, led to the adoption of legislation to eliminate the Malibu Freeway from the State Highway System.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Totals, Salaries and Wages -----	3.8	4.2	4	\$41,114	\$50,047	\$50,113
Staff benefits -----	-	-	-	4,049	5,663	6,000
Totals, Personal Services -----	3.8	4.2	4	\$45,163	\$55,710	\$56,113
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$11,935	\$14,200	\$14,250
Travel -----				14,196	13,065	12,700
Facilities expense -----				1,565	2,731	2,931
Contractual services -----				1,803	1,000	1,000
Equipment -----				187	-	-
Totals, Operating Expenses and Equipment -----				\$29,686	\$30,996	\$30,881
Totals, Expenditures -----				\$74,849	\$86,706	\$86,994
Reimbursements, other -----				-5,463	-	-
Net Totals, Expenditures -----				\$69,386	\$86,706	\$86,994
General Fund -----				69,386	86,706	-
Environmental Protection Program Fund -----				-	-	86,994

APPROPRIATIONS

Continuing appropriation prescribed by Chapter 1142, Statutes of 1970 (Environmental Protection Program Fund) \$86,994

INTERGOVERNMENTAL BOARD ON ELECTRONIC DATA PROCESSING

GENERAL ANALYSIS

The board provides the coordinating mechanism for the development and implementation of long-term policies and programs for intergovernmental information systems. The board, which consists of representatives from state and local government including school districts, reviews and comments upon applications for grants-in-aids for intergovernmental information systems. With the need for a coordinated approach to the development of governmental information systems in the state, the board is charged with the responsibility to establish, maintain and update goals, objectives and standards for their development and implementation. Annually, the board prepares a report to the Legislature and to all organizations which it represents on the development of long-term policies and programs.

The board was initially created under Governor's executive order in 1967. That executive order embodied the recommendations of an intergovernmental

electronic data processing task force, convened by the Council on Intergovernmental Relations at the Governor's request in the spring of 1967. The Intergovernmental Board on Electronic Data Processing was established formally by statute in November 1968, Chapter 1327.

The board consists of 12 members and alternates appointed by the Governor with four members from state government representing the Business and Transportation Agency, the Resources Agency, the Human Relations Agency, and the Agriculture and Services Agency, three members representing county governments, three members representing city governments, and two members representing school districts. 1970 legislation, Chapter 1193 has added two members to the board, one from the Department of Justice and another nominated by the State Board of Education.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Intergovernmental board on electronic data processing (<i>General Fund</i>) --	2.3	-	-	\$63,453	\$11,632	\$5,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The board will clarify and refine criteria for the evaluation of intergovernmental information systems by application to community safety information systems and application to other information system areas selected by the board. The technical advisory committee will continue its project on community

safety information systems. The board will formulate policies and prepare recommendations to the Legislature where necessary regarding data security and confidentiality. The council on intergovernmental relations will provide operational and administrative support.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
	69-70 (filled)	70-71 (Auth.)	71-72 (Auth.)				
STATE OPERATIONS							
PERSONAL SERVICES							
Net salaries and wages -----	2.3	-	-	\$31,722	\$1,632	-	
Staff benefits -----	-	-	-	1,728	-	-	
Totals, Personal Services -----	2.3	-	-	\$33,450	\$1,632	-	
OPERATING EXPENSES AND EQUIPMENT							
General expense -----				\$6,120	\$234	-	
Travel -----				3,740	-	-	
Facilities expense -----				668	-	-	
Contract services -----				19,475	9,766	\$5,000	
Totals, Operating Expenses and Equipment -----				\$30,003	\$10,000	\$5,000	
Totals, Expenditures (General Fund) -----				\$63,453	\$11,632	\$5,000	

APPROPRIATION

Support, Item 35 (*General Fund*) ----- \$5,000

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----	\$122	-	-

COMMISSION OF THE CALIFORNIAS

GENERAL ANALYSIS

The Commission of the Californias cooperates with similar commissions representing the State of Baja California and the territory of Baja California Sur in the development of favorable economic and cultural relations with those entities.

The commission develops valuable cooperation in

the fields of agriculture, public health, law enforcement and education. The commission is also involved in obtaining liberalization of regulations governing the movement of private airplanes and boats, as well as improvement of facilities and services for visitors crossing the land border.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Commission of the Californias (<i>General Fund</i>)	2	2	2	\$36,453	\$37,795	\$38,000

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages	2	2	2	\$21,226	\$22,464	\$22,464
Staff benefits	-	-	-	2,367	2,670	2,750
Totals, Personal Services	2	2	2	\$23,593	\$25,134	\$25,214
OPERATING EXPENSES AND EQUIPMENT						
General expense				\$4,751	\$5,391	\$4,986
Travel				4,507	5,700	5,700
Facilities expense				1,438	1,570	1,600
Equipment				2,164	-	500
Totals, Operating Expenses and Equipment				\$12,860	\$12,661	\$12,786
Totals, Expenditures (<i>General Fund</i>)				\$36,453	\$37,795	\$38,000
APPROPRIATION						
Support, Item 36 (<i>General Fund</i>)						\$38,000

OFFICE OF MANAGEMENT SERVICES

GENERAL ANALYSIS

The office, working closely with the operating departments and other control agencies, provides coordination and control of electronic data processing (EDP) in the accomplishment of state objectives, including the review of EDP contracts, budgets and plans. The director must certify that each EDP expenditure meets criteria and procedures prescribed by law. The office provides statewide EDP training;

advisory services on state EDP policy, planning and operational matters; supervision of implementation of the state's long-range EDP master plan, including consolidation of EDP resources and applications; development of standards and procedures; conduct of special studies; and continued evaluation of operational effectiveness and performance (including costs) of EDP applications and facilities.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Totals, Office of Management Service	29.1	29.5	25	\$609,353	\$652,660	\$500,000
General Fund				289,786	633,990	500,000
Reimbursements				319,567	18,670	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

As a result of an evaluation of functions and priorities, a reduction in program costs has been made in the request for 1971-72. In addition, responsibility for the social services information system is being assumed by the Department of Social Welfare.

OFFICE OF MANAGEMENT SERVICES—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
4	PERSONAL SERVICES						
5	Net salaries and wages -----	29.1	29.5	25	\$427,253	\$457,636	\$391,536
6	Staff benefits -----	-	-	-	40,676	47,976	41,463
7	Totals, Personal Services -----	29.1	29.5	25	\$467,929	\$505,612	\$432,999
10	OPERATING EXPENSES AND EQUIPMENT						
11	General expense -----				\$25,304	\$35,913	\$46,391
12	Travel -----				4,010	4,228	4,550
13	Facilities expense -----				15,093	16,207	15,360
14	Contractual services -----				95,850	90,000	-
15	Equipment -----				1,167	700	700
16	Totals, Operating Expenses and Equipment -----				\$141,424	\$147,048	\$67,001
18	Totals, Expenditures -----				\$609,353	\$652,660	\$500,000
19	Reimbursements—other -----				-319,567	-18,670	-
21	Net Expenditures (General Fund) -----				\$289,786	\$633,990	\$500,000
24	APPROPRIATION						
27	Support, Item 37 (General Fund) -----						\$500,000
30	REVENUES				ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
34	General Fund -----				\$19	-	-
39	BICENTENNIAL CELEBRATION COMMISSION						
43	GENERAL ANALYSIS						
45	The Bicentennial Celebration Commission was established for the purpose of planning and coordinating meaningful celebration of the 200th anniversary of the founding of the State of California. It ceased to exist on December 31, 1970, when its statutory authority expired.						
51	PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
52		69-70	70-71	71-72			
55	Net Totals, Program (Bicentennial Celebration Fund) * -----	1.6	1	-	\$310,517	\$93,600	-
59	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
60		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
65	STATE OPERATIONS						
66	PERSONAL SERVICES						
67	Net salaries and wages -----	1.6	1	-	\$20,982	\$12,099	-
68	Staff benefits -----	-	-	-	2,352	1,400	-
69	Totals, Personal Services -----	1.6	1	-	\$23,334	\$13,499	-
72	OPERATING EXPENSES AND EQUIPMENT						
73	General expense -----				\$94,628	\$14,421	-
74	Travel -----				9,134	6,000	-
75	Facilities expense -----				1,900	1,750	-
76	Contractual services -----				181,521	57,530	-
77	Equipment -----				-	400	-
78	Totals, Operating Expenses and Equipment -----				\$287,183	\$80,101	-
81	Totals, Expenditures (Bicentennial Celebration Fund) * -----				\$310,517	\$93,600	-
83	* A nongovernmental cost fund. Neither receipts nor disbursements are included in budget totals.						

* A nongovernmental cost fund. Neither receipts nor disbursements are included in budget totals.

ADVISORY COMMISSION ON MARINE AND COASTAL RESOURCES

Headquarters Office at Sacramento

GENERAL ANALYSIS

The commission is composed of 36 members representing the industrial, scientific, academic and legal communities of this state and includes six members of the state, Legislature, three Senators and three Assemblymen. The commission is subdivided into the following four committees: 1. Coastal zone committee; 2. resources committee; 3. education and research committee; 4. environmental quality committee.

The expertise of this 36-member commission is applied to reviewing the California Ocean Area Plan as

it is developed by the Department of Navigation and Ocean Development. The commission also evaluates the activities, each fiscal year, and accomplishments of several agencies of the State of California involved in the conservation and development of marine and coastal resources. The commission will report to the Governor and the Legislature in 1971 setting forth further recommendations on coastal zone management in the total public interest with respect to the coastline.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Totals, Development of Ocean and Coastal Resources (General Fund)	3	2	2	\$62,984	\$58,745	\$49,000

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages	3	2	2	\$30,053	\$26,470	\$21,432
Staff benefits	-	-	-	3,330	2,680	2,250
Totals, Personal Services	3	2	2	\$33,383	\$29,150	\$23,682
OPERATING EXPENSES AND EQUIPMENT						
General expense				\$13,448	\$12,800	\$12,724
Travel				12,163	11,345	9,094
Facilities expense				2,869	3,450	3,500
Contractual services				1,000	2,000	-
Equipment				121	-	-
Totals, Operating Expenses and Equipment				\$29,601	\$29,595	\$25,318
Totals, Expenditures (General Fund)				\$62,984	\$58,745	\$49,000

APPROPRIATION

Support, Item 38 (General Fund)						\$49,000
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STATE OFFICE OF PLANNING

GENERAL ANALYSIS

The State Office of Planning was transferred to the operational control of the Lieutenant Governor by the Governor's Executive Order R18-70, dated January 30, 1970. Under the provisions of Chapter 1534,

Statutes of 1970, the State Office of Planning was terminated on November 23, 1970 and the Office of Planning and Research was established in the Governor's Office.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
State Office of Planning (General Fund)	-	3	-	-	\$40,000	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

During the interval before its termination, the State Office of Planning maintained the continuity of the state planning process, processed federal grants, continued assistance to state agencies and departments and prepared tentative program materials for the new Office of Planning and Research.

STATE OFFICE OF PLANNING—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1							
2	STATE OPERATIONS						
3							
4	PERSONAL SERVICES						
5	Net salaries and wages -----	-	3	-	-	\$29,508	-
6	Staff benefits -----	-	-	-	-	2,992	-
7							
8	Totals, Personal Services -----	-	3	-	-	\$32,500	-
9							
10	OPERATING EXPENSES AND EQUIPMENT						
11	General expense -----				-	\$1,950	-
12	Travel -----				-	950	-
13	Facilities expense -----				-	3,500	-
14	Contract services -----				-	1,100	-
15							
16	Totals, Operating Expenses and Equipment -----				-	\$7,500	-
17							
18	Totals, Expenditures (General Fund) -----				-	\$40,000	-

DEPARTMENT OF JUSTICE

GENERAL ANALYSIS

The Department of Justice, through the constitutional office of the Attorney General, has the responsibility to insure the uniform interpretation and enforcement of laws and to represent the state in civil and criminal proceedings.

Office of the Attorney General

The office of the Attorney General interprets laws, renders opinions and represents the state in civil and criminal proceedings. Legal advice and assistance is provided to the various state departments, boards and commissions. The office of the Attorney General advises the Governor on the constitutionality of laws passed by the Legislature, and represents the state on all criminal matters before the California appellate courts and the federal courts. It also investigates and assists local agencies in the prosecution of consumer and investment frauds and business crimes. It also registers and reviews charitable trusts and health plan organizations, enforces state antitrust laws, assists in protection of the public from fraudulent and unethical business practices and investigates complaints of discrimination, in order to ensure the constitutional rights of all individuals. These functions are carried out by the statewide Divisions of Civil Law and Criminal Law.

Division of Law Enforcement

The Division of Law enforcement is the state coordinating agency for criminalistic information, narcotics law enforcement and investigation assistance. The division also collects, correlates, analyzes and disseminates statistical data relating to criminal activities within the state. It provides these services to all agencies of California's criminal justice system. Federal criminal information is made available to the local agencies through the division's computer-to-computer connection with the National Crime Information Center.

Division of General Administration

The Division of General Administration carries out the administrative responsibilities of the Attorney General and coordinates the general service activities required by the department.

This division includes the executive fiscal and personnel services necessary to operate the legal and law enforcement branches of the department. It is composed of the chief deputy, the Attorney General's immediate staff, and the Division of Administration.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Legal Services -----	547.9	561.3	555.4	\$10,297,757	\$11,205,092	\$11,786,608
II. Law Enforcement -----	969.6	1,080.4	1,085.5	12,543,474	16,435,646	16,334,057
III. Administration—Undistributed:						
General Administration -----	62.4	75.9	74.6	641,769	742,002	800,550
Administration—Distributed:						
General Administration -----	-	-	-	(732,888)	(909,718)	(969,743)
TOTALS, PROGRAMS -----	1,579.9	1,717.6	1,715.5	\$23,483,000	\$28,382,740	\$28,921,215
Less expenditures shown in administration and payment of tort						
liability claims -----				-456,872	-575,293	-1,000,000
Reimbursements -----				-2,655,868	-2,548,652	-2,479,952
NET TOTALS, PROGRAMS -----				\$20,370,260	\$25,258,795	\$25,441,263
General Fund -----				19,338,580	22,804,869	23,392,000
Motor Vehicle Fund -----				982,682	1,952,925	2,049,263
Federal funds -----				48,998	501,001	-

DEPARTMENT OF JUSTICE—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2							
3							
4	PERSONAL SERVICES						
5	Net salaries and wages -----	1,579.9	1,717.6	1,715.5	\$15,654,765	\$17,919,874	\$18,325,209
6	Staff benefits -----	-	-	-	1,994,785	2,223,957	2,310,511
7							
8	Totals, Personal Services -----	1,579.9	1,717.6	1,715.5	\$17,649,550	\$20,143,831	\$20,635,720
9							
10	OPERATING EXPENSES AND EQUIPMENT						
11	General expense -----				\$3,004,346	\$4,616,838	\$5,195,831
12	Travel -----				606,637	761,183	719,823
13	Facilities expense -----				1,212,915	1,498,540	1,320,986
14	Contractual services -----				722,397	913,562	777,069
15	Equipment -----				287,155	448,786	271,786
16							
17	Totals, Operating Expenses and Equipment -----				\$5,833,450	\$8,238,909	\$8,285,495
18							
19	Totals, Expenditures -----				\$23,483,000	\$28,382,740	\$28,921,215
20	Reimbursements -----				-2,655,868	-2,548,652	-2,479,952
21	Less expenditures shown in administration and payment of tort						
22	liability claims -----				-456,872	-575,293	-1,000,000
23							
24	Net Expenditures -----				\$20,370,260	\$25,258,795	\$25,441,263
25	General Fund -----				19,338,580	22,804,869	23,392,000
26	Motor Vehicle Fund -----				982,682	1,952,925	2,049,263
27	Federal funds -----				48,998	501,001	-
28							
29	APPROPRIATIONS						
30							
31							
32	Support, Item 39 (General Fund) -----						\$23,392,000
33	Support, Item 40 (Motor Vehicle Fund) -----						2,049,263
34							
35							
36	REVENUES				ACTUAL	ESTIMATED	PROPOSED
37					1969-70	1970-71	1971-72
38							
39							
40	General Fund -----				\$609,252	\$590,500	\$590,500
41							
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COMMISSION ON PEACE OFFICERS' STANDARDS AND TRAINING

Office at Sacramento

GENERAL ANALYSIS

The Commission on Peace Officer Standards and Training is responsible for the development and implementation of programs to raise and maintain the level of competence and effectiveness of California peace officers. To accomplish this, the commission establishes minimum standards of physical, mental and moral fitness for the recruitment and training of city and county peace officers. The commission also provides a management counseling service to assist the

participating jurisdictions in improving the operation and administration of their agencies. The commission and its programs are supported solely from the Peace Officers' Training Fund, which derives revenues from penalty assessments of \$5 for every \$20 of criminal fines and \$1 for every \$20 of traffic fines collected by local governments. Revenues accruing to the Peace Officers' Training Fund for the 1971-72 fiscal year are estimated to be \$7,560,000.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Assistance to Cities and Counties for Peace Officer Standards and Training -----	-	-	-	\$3,700,000	\$5,168,770	\$5,200,000
II. Administration -----	23.3	29.4	28.1	455,659	650,332	547,437
TOTALS, PROGRAMS -----	23.3	29.4	28.1	\$4,155,659	\$5,819,102	\$5,747,437
Reimbursements -----				-490	-	-
NET TOTALS, PROGRAMS -----				\$4,155,169	\$5,819,102	\$5,747,437
Peace Officers' Training Fund -----				4,079,714	5,645,733	5,747,437
Federal funds -----				75,455	173,369	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The training, education and services programs authorized by action of the Legislature and the administration in 1967 and 1968, greatly increased the scope of the commission's operations and responsibilities.

The speed with which the commission can accommo-

date its increased responsibilities and program scope is dependant on the size of its staff. The requested increase of three professional and one clerical employee will enable the commission to increase administrative counseling services to local police agencies by one-third.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	23.3	29.4	28.1	\$245,874	\$330,085	\$340,331
Staff benefits -----	-	-	-	24,864	37,235	41,956
Totals, Personal Services -----	23.3	29.4	28.1	\$270,738	\$367,320	\$382,287
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$56,747	\$72,258	\$73,770
Travel -----				31,250	29,234	29,400
Facilities expense -----				22,758	24,057	27,000
Contractual services -----				64,508	153,311	22,200
Equipment -----				9,658	4,152	12,780
Totals, Operating Expenses and Equipment -----				\$184,921	\$283,012	\$165,150
Totals, Expenditures -----				\$455,659	\$650,332	\$547,437
Reimbursements—other -----				-490	-	-
Totals, Expenditures, State Operations -----				\$455,169	\$650,332	\$547,437
Peace Officers' Training Fund -----				379,714	476,963	547,437
Federal funds -----				75,455	173,369	-

LOCAL ASSISTANCE

Assistance to cities and counties for peace officer standards and training (*Peace Officers' Training Fund*) ----- \$3,700,000 \$5,168,770 \$5,200,000

APPROPRIATIONS

Support, Item 41 (*Peace Officers' Training Fund*) ----- \$547,437
Local assistance, Item 42 (*Peace Officers' Training Fund*) ----- 5,200,000

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Peace Officers' Training Fund -----	\$7,953,410	\$7,380,000	\$7,560,000

COUNCIL ON CRIMINAL JUSTICE

Office at Sacramento

GENERAL ANALYSIS

The California Council on Criminal Justice has a single goal to which all its programs and activities are directed. This goal is to reduce the incidence of crime and asocial behavior by improving the overall performance of the criminal justice system through support to local agencies which have direct responsibilities in the criminal justice field. This goal seeks successful fulfillment through three major program elements: (1) Criminal Justice Comprehensive Planning, (2) Criminal Justice Program Implementation,

and (3) Support Services and General Administration.

The California Council on Criminal Justice exists and functions to help prevent and control crime in California. The council was designated the state planning agency in 1969 by the Governor. Thus it became responsible for implementation of the Omnibus Crime Control and Safe Streets Act of 1968, the Juvenile Delinquency Prevention and Control Act of 1968, and other related federal programs.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Criminal Justice Comprehensive Plan	- a	12.2	18	- a	\$531,013	\$590,541
II. Criminal Justice Program Implementation	-	25.3	37	-	552,230	834,355
III. Support Services and General Administration (Undistributed)	-	16.3	24	-	325,358	556,339
TOTALS, PROGRAMS	34.5	53.8	79	\$1,154,871	\$1,408,601	\$1,981,235
General Fund				75,002	77,986	138,286
Federal funds				1,079,869	1,330,615	1,842,949

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

I. Criminal Justice Comprehensive Planning

The additional emphasis on plan preparation, development and revision coupled with the inclusion of added involvement in long-range planning and strategy development have necessitated workload increases. Planning for juvenile delinquency prevention and control is moving into the implementation phases with attendant increases in workload. The council wishes to place greater emphasis on regional and local self-determination and planning capabilities and competence to assure maximum impact of the program at the local operational levels.

II. Criminal Justice Program Implementation

It is anticipated that action funds received from the federal government will increase \$17 million to

\$34 million in the budget year and necessitate the addition of 13 staff members in the operations unit of task force support to process the expected increase in proposals. Operational reorganization of staff to provide maximum efficiency of existing services and an efficient mechanism for newly designated or provisioned functions will necessitate the addition of seven staff members.

III. Support Services and General Administration

The broadened scope of activities of the staff will generate support element workload increases in the areas of executive and business services nearly double that rendered in the past budget year. The increased action funds coupled with fiscal auditing and program content audit have generated extreme workload increases in the area of fiscal, accounting, and audit services. This additional workload necessitates the request for 12 positions in the budget year.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	34.5	53.8	79	\$348,917	\$597,612	\$896,833
Staff benefits -----	-	-	-	29,559	63,048	94,616
Totals, Personal Services -----	34.5	53.8	79	\$378,476	\$660,660	\$991,449

a 1969-70 costs undistributed. Programs were not established prior to 1970-71 fiscal year.

COUNCIL ON CRIMINAL JUSTICE—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	STATE OPERATIONS—Continued			
2	OPERATING EXPENSES AND EQUIPMENT			
3	General expense -----	\$130,921	\$152,000	\$267,000
4	Travel -----	64,594	95,000	185,000
5	Facility expense -----	26,550	29,000	57,500
6	Interagency services -----	44,809	56,000	102,000
7	Contractual services -----	492,505	412,941	333,286
8	Equipment -----	17,016	3,000	45,000
9				
10	Totals, Operating Expenses and Equipment -----	\$776,395	\$747,941	\$989,786
11				
12	Totals, Expenditures -----	\$1,154,871	\$1,408,601	\$1,981,235
13	General Fund -----	75,002	77,986	138,286
14	Federal funds -----	1,079,869	1,330,615	1,842,949
15				
16				
17	APPROPRIATIONS			
18				
19	Support, Item 43 (General Fund) -----			\$138,286
20	State operations, grants (federal funds) -----			1,842,949
21				
22				

CRIME TECHNOLOGICAL RESEARCH FOUNDATION

Office at Sacramento

GENERAL ANALYSIS

The foundation is a 15-member public corporation governed by a board of directors appointed by the Governor and confirmed by the Senate. The foundation was established to foster and support scientific and technological research concerning asocial behavior and crime in California; to identify, review, and evaluate research developments applied to the prevention and detection of crime and the apprehension and treatment of criminals; to sponsor and conduct

conferences and studies, collect and disseminate information and issue periodic reports relating to scientific and technological research concerning the prevention and detection of crime.

The foundation complements the operations of the California Council on Criminal Justice by encouraging and conducting research into new technologies for the detection of crime and the apprehension and treatment of criminals.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
I. Research and development-----	1.2	2	-	\$235,931	\$304,269	-
II. Administration—undistributed --	0.2	1.3	-	26,795	75,000	-
TOTALS, PROGRAMS -----	1.4	3.3	-	\$262,726	\$379,269	-
General Fund -----				76,795	75,000	-
Federal funds -----				185,931	304,269	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Chapter 1661, Statutes of 1967, which created the foundation, provides for termination of its existence on the 61st day after adjournment of the 1971 Regular Session. Accordingly, no funds are provided for the budget year. The Council on Criminal Justice will followup on some aspects of this program.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages-----	1.4	3.3	-	\$11,914	\$39,054	-
Staff benefits -----	-	-	-	780	4,120	-
Totals, Personal Services-----	1.4	3.3	-	\$12,694	\$43,174	-
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$13,722	\$70,035	-
Travel -----				34,961	109,790	-
Facilities expense -----				1,190	825	-
Contractual services -----				183,712	152,445	-
Equipment -----				16,447	3,000	-
Totals, Operating Expenses and Equipment-----				\$250,032	\$336,095	-
Totals, Expenditures -----				\$262,726	\$379,269	-
General Fund -----				76,795	75,000	-
Federal funds -----				185,931	304,269	-

ASSISTANCE TO COUNTIES FOR PUBLIC DEFENDERS

GENERAL ANALYSIS

Section 987.6 of the Penal Code provides that the state shall contribute to the counties an amount not to exceed 10 percent of the amount actually expended by counties for the purpose of providing legal assistance to indigents charged with violation of state criminal law or involuntarily detained under the Lanterman-Petris-Short Act, Division 5 of the Welfare and Institutions Code. The subvention in the amount of \$775,000 represents a continuation of the same dollar amount as in the current fiscal year.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
Assistance to Counties for Public Defenders (<i>General Fund</i>)-----	\$775,000	\$775,000	\$775,000	
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
LOCAL ASSISTANCE				
Assistance to Counties for Public Defenders (<i>General Fund</i>)--	\$775,000	\$775,000	\$775,000	
APPROPRIATION				
Local assistance, Item 44 (<i>General Fund</i>) -----			\$775,000	

ADMINISTRATION AND PAYMENT OF TORT LIABILITY CLAIMS

GENERAL ANALYSIS

Chapter 1681, Statutes of 1963, established legislation governing the liability and nonliability of the state for tort actions of its officers and employees. This act also established rules governing the extent of duty of the state to pay judgments and to indemnify its employees.

The defense of tort actions against the state is handled by two departments. The Department of Public Works defends those actions arising out of occurrences in its particular sphere of government operations. The Attorney General defends all other state agencies and also provides administration of the program.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
Administration and payment of tort liability claims-----	\$985,939	\$1,799,199	\$1,000,000	
<i>General Fund</i> -----	837,244	1,799,199	1,000,000	
<i>Water Resources Revolving Fund</i> ^a -----	4,839	-	-	
<i>Special funds</i> -----	143,856	-	-	

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The \$1,000,000 for 1971-72 will finance insurance premiums, other administrative costs, and most of the smaller claims. The reduced amount is proposed because it has become increasingly difficult to estimate

the number of claims or level of payment required. For this reason it is suggested that consideration be given to funding at least the larger claims by an annual deficiency bill.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
STATE OPERATIONS				
Administration and payment of tort liability claims-----	\$985,939	\$1,799,199	\$1,000,000	
<i>General Fund</i> -----	837,244	1,799,199	1,000,000	
<i>Water Resources Revolving Fund</i> ^a -----	4,839	-	-	
<i>Special funds</i> -----	143,856	-	-	
APPROPRIATION				
Support, Item 45 (<i>General Fund</i>) -----			\$1,000,000	

^a Neither the revenues nor the expenditures of nongovernmental cost funds are included in the overall budget totals.

PROVISION FOR SETTLEMENT OF PENDING LITIGATION

GENERAL ANALYSIS

The Budget Act of 1970 provided for a negotiated settlement of a claim pending litigation regarding approximately 355 acres of land at Fairview State Hospital. That claim has subsequently been settled as presented in the 1970-71 Governor's Budget.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Payment of claims -----	-	\$1,000,000	-
Reimbursements -----	-	-1,000,000	-
NET TOTALS, PROGRAM (General Fund) -----	-	-	-

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS			
Payment of claims -----	-	\$1,000,000	-
Reimbursements -----	-	-1,000,000	-
Totals, Expenditures (General Fund) -----	-	-	-

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----	-	\$1,000,000	-

AID TO VICTIMS OF CRIMES OF VIOLENCE

GENERAL ANALYSIS

This program provides funds to indemnify those needy state citizens who are injured as a result of a crime of violence. Eligibility for an award is determined by the Board of Control after an investigation of the claim by the Attorney General. No claim, however, may exceed \$5,000.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Aid to victims of crimes of violence -----	\$171,645	\$202,878	\$202,000
Office of Attorney General services -----	25,000	25,000	25,000
TOTALS, PROGRAMS -----	\$196,645	\$227,878	\$227,000
General Fund -----	191,565	225,000	225,000
Indemnity Fund -----	5,080	2,878	2,000

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS			
For payment of claims and Attorney General services -----	\$196,645	\$227,878	\$227,000
General Fund -----	191,565	225,000	225,000
Indemnity Fund a -----	5,080	2,878	2,000

APPROPRIATION			
Support, Item 46 (General Fund) -----			\$225,000
State Operations (Indemnity Fund) -----			2,000

a Continuing appropriation pursuant to Section 13964 of the Government Code.

STATE CONTROLLER

Headquarters Office at Sacramento

GENERAL ANALYSIS

The State Controller is the elective state fiscal officer. He maintains the control accounts of all funds and appropriations, and audits all claims before issuing warrants on the State Treasury; classifies and funds all receipts and makes various apportionments of state revenue; administers the state payroll system; accounts agency trust moneys in the custody of the State Treasurer; supervises the administration of state inheritance and gift taxes; accounts and collects motor vehicle fuel license tax, motor vehicle transportation license tax, petroleum and gas assessments, the subsidence abatement fund, and insurance premiums tax; administers the tax refunds to nonhighway users of motor vehicle fuel; administers the provisions con-

cerning county budget procedures; reports state, county, city, district, and street and highway financial transactions; prescribes the uniform accounting system for counties and special districts, and the audit standards for special districts; supervises the general procedures concerning delinquent property taxes; and field audits expenditures by local governments for programs involving state subventions.

The State Controller also serves on a number of boards and commissions including the State Board of Equalization, Franchise Tax Board, State Lands Commission, Pooled Money Investment Board, Board of Control, and the various bond finance committees.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Fiscal Control -----	308.4	305.1	305.9	\$3,866,236	\$4,064,820	\$4,092,019
II. Tax Administration -----	183.9	182.7	185.7	2,584,376	2,721,675	2,815,484
III. Local Government Fiscal Affairs -----	47.8	51.1	50.6	749,865	839,168	839,058
IV. Administration:						
Distributed to other programs --	-	-	-	(342,661)	(423,982)	(420,948)
Undistributed -----	32.6	36.1	35.5	178,767	189,645	196,887
TOTALS, PROGRAMS -----	572.7	575	577.7	\$7,379,244	\$7,815,308	\$7,943,448
Reimbursements -----				-222,749	-654,896	-685,493
NET TOTALS, PROGRAMS -----				\$7,156,495	\$7,160,412	\$7,257,955
General Fund -----				5,838,878	5,874,862	5,829,862
Motor Vehicle Transportation Tax Fund -----				137,277	140,356	103,402
Motor Vehicle Fuel Fund -----				940,151	937,445	1,108,488
State School Building Aid Fund -----				140,968	135,973	141,566
Aeronautics Fund -----				72,136	71,776	74,637
Homeowner's Property Tax Relief Fund -----				27,085	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

I. Fiscal Control-----Net Decrease \$35,425

One new compliance auditor at \$11,511 is proposed for the Unclaimed Property unit to extend coverage statewide. In the first full year of operation under the new compliance program with one compliance auditor covering only northern California, a total of \$341,530 was recovered.

To provide for a more effective internal audit, the three-man staff assigned to this activity was transferred from the Division of Audits to the Administration Division. The cost of this activity, \$46,936, formerly borne by the Fiscal Control Program, will be prorated to all programs.

II. Tax Administration-----Net Decrease \$10,788

Improved tax collections procedures have made possible a reduction of \$15,120 and two positions. A 26-

percent increase since 1965-66 in clerical workload in the file section of the Los Angeles office of the Inheritance Tax Division has been absorbed by improved file procedures and procedures designed to decrease the flow of documents. One additional clerk at \$4,860 will be required to meet the further increase anticipated for 1971-72.

IV. Administration-----Increase of \$82,655

A program change was effected in September, 1970 strengthening two important management support functions, internal audit and management analysis. This involved the transfer of three internal auditors from the Division of Audits to the Administration Division, \$46,936 and the addition of a supervising audit position to head the function and one management analyst position for systems and procedure work in the EDP area \$35,719.

STATE CONTROLLER—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2	PERSONAL SERVICES						
3	Net salaries and wages -----	572.7	575	577.7	\$5,362,560	\$5,672,069	\$5,794,836
4	Staff benefits -----	-	-	-	551,143	634,262	646,222
5	Totals, Personal Services -----	572.7	575	577.7	\$5,913,703	\$6,306,331	\$6,441,058
6	OPERATING EXPENSES AND EQUIPMENT						
7	General expense -----				\$1,001,474	\$991,147	\$1,019,876
8	Travel -----				220,264	262,004	270,824
9	Facilities expense -----				453,907	443,431	428,714
10	Contractual services -----				2,495	45,000	-
11	Equipment -----				15,784	14,059	15,317
12	Totals, Operating Expenses and Equipment -----				\$1,693,924	\$1,755,641	\$1,734,731
13	Totals, Expenditures -----				\$7,607,627	\$8,061,972	\$8,175,789
14	Reimbursements -----				-451,132	-901,560	-917,834
15	Totals, Expenditures, State Operations -----				\$7,156,495	\$7,160,412	\$7,257,955
16	General Fund -----				5,838,878	5,874,862	5,829,862
17	Motor Vehicle Transportation Tax Fund -----				137,277	140,356	103,402
18	Motor Vehicle Fuel Fund -----				940,151	937,445	1,108,488
19	State School Building Aid Fund -----				140,968	135,973	141,566
20	Aeronautics Fund -----				72,136	71,776	74,637
21	Homeowner's Property Tax Relief Fund -----				27,085	-	-
22	APPROPRIATIONS						
23	Support, Item 47 (General Fund) -----						\$5,829,862
24	Support, Item 48 (Motor Vehicle Transportation Tax Fund) -----						103,402
25	Support, Item 49 (Motor Vehicle Fuel Fund) -----						1,108,488
26	Support, Item 50 (State School Building Aid Fund) -----						141,566
27	Support, Item 51 (Aeronautics Fund) -----						74,637
28	REVENUES						
29	General Fund -----				\$4,166,444	\$3,136,000	\$3,126,000

STATE BOARD OF EQUALIZATION

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Board of Equalization is composed of four members elected from areas of the state known as equalization districts, and a fifth ex officio member, the State Controller. Board members acting collectively, set overall policy which is executed by the executive secretary. Offices are maintained at over 60 locations in California, and in New York and Chicago.

The board administers the various business taxes listed below as programs. In addition, it is responsible

for improving and standardizing local property tax assessment practices in the counties, and equalization of assessment levels in the counties. Utilities and railroads are assessed by the board because their operations are of an intercounty nature. In addition, the five-member board is the appellate body for Franchise Tax Board's decisions on income and corporate taxes and on property tax relief for senior citizens.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Local Property Tax Equalization	148.9	144.2	145.5	\$2,568,831	\$2,602,790	\$2,645,696
II. State-Assessed Property Tax	80.4	80	79.9	1,162,480	1,211,511	1,223,547
III. County Appeals of Intercounty Equalization Appraisals	11.1	11.3	11.3	205,527	218,555	220,726
IV. Sales and Use Tax	1,794.6	1,830	1,803.6	23,590,146	25,398,723	25,540,203
V. Alcoholic Beverage Tax	28.7	29.2	29.1	317,166	340,476	343,858
VI. Cigarette Tax Program	23.6	24.2	24.1	843,343	853,708	913,985
VII. Motor Vehicle Fuel License Tax	15.4	15.4	15.3	214,354	221,748	224,815
VIII. Use Fuel Tax Program	88.3	88.3	87.9	1,075,266	1,112,353	1,127,738
IX. Motor Vehicle Transportation License Tax	86.3	86.3	85.9	1,077,379	1,114,622	1,130,386
X. Insurance Tax Program	1.4	1.5	1.5	21,572	22,939	23,167
XI. Appeals From Other Governmental Programs	7.2	7.6	7.6	135,620	144,217	145,650
XII. Administration and Support— distributed to other programs	(181.2)	(175.8)	(175.2)	(2,834,001)	(2,784,355)	(2,738,336)
Undistributed administration and support	36.2	28	28	739,236	560,209	505,497
TOTALS, PROGRAMS	2,322.1	2,346	2,319.7	\$31,950,920	\$33,801,851	\$34,045,268
Reimbursements				-5,614,079	-7,048,871	-6,251,497
NET TOTALS, PROGRAMS				\$26,336,841	\$26,752,980	\$27,793,771
General Fund				23,969,842	24,304,257	25,310,832
Motor Vehicle Transportation Tax Fund				1,077,379	1,114,622	1,130,386
Motor Vehicle Fuel Fund				1,289,620	1,334,101	1,352,553

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

I. Local Property Tax Equalization

The major item of change in this program occurred in the 1970-71 fiscal year. Six positions were eliminated by the 1970 Legislative Free Conference Committee effective July 1, 1970. This will reduce aid given to county assessor's offices in the areas of technical services, assessors' handbook, and assessor training.

One and one-half positions are proposed in 1971-72 to administer the homeowner's exemption function. This is a computer match of all exemptions claimed in the state for the purpose of identifying multiple applications by one taxpayer.

IV. Sales and Use Tax Program

An increase of 35.4 man-years in the current year, over the past year, results from a number of factors: (1) implementation of the one-half cent southern California rapid transit district tax, (2) full man-year equivalents in 1970-71 of transit district positions which were hired late in the 1969-70 fiscal year, (3) a reduction in funds by the 1970 Legislative Free

Conference Committee, and (4) a reduction of two positions was accomplished by replacing old machines with electronic calculators.

A reduction of 26.4 positions in the budget year primarily reflects the termination of the southern California rapid transit district tax on December 31, 1970.

STATE BOARD OF EQUALIZATION—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

Reimbursements

Reimbursements in the current year includes two nonrecurring items as follows:

The first is caused by the termination of the Board of Equalization's collecting the southern California rapid transit district one-half cent sales and use tax which will terminate as of December 31, 1970. The board will be reimbursed \$845,000 for the administration of this tax in 1970-71. It will not be in 1971-72.

The second is due to the fact that in the current

year \$125,000 of reimbursements derived from sales of maps for public utility and railroad valuation will be accounted for as revenue in 1971-72. Since these maps are of use to the counties and utilities, as well as the board, they are sold with the objective of recovering the total cost of preparation.

The sum of these two reimbursables, or \$970,000, occurred only in 1970-71 and will not occur in the 1971-72 fiscal year.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	2,322.1	2,346	2,319.7	\$23,629,683	\$25,018,113	\$25,117,513
Staff benefits -----	-	-	-	2,398,552	2,591,883	2,604,063
Totals, Personal Services -----	2,322.1	2,346	2,319.7	\$26,028,235	\$27,609,996	\$27,721,576
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$1,414,597	\$1,483,331	\$1,448,987
Travel -----				1,036,411	1,031,195	1,046,944
Facilities expense -----				1,336,310	1,388,248	1,418,281
Data processing -----				510,772	597,889	603,736
Services by DMV (includes harbors and watercraft) -----				962,624	1,095,492	1,152,983
Cigarette tax stamps -----				520,823	500,000	557,061
Equipment -----				141,148	95,700	95,700
Totals, Operating Expenses and Equipment -----				\$5,922,685	\$6,191,855	\$6,323,692
Totals, Expenditures -----				\$31,950,920	\$33,801,851	\$34,045,268
Reimbursements -----				-5,614,079	-7,048,871	-6,251,497
TOTALS, EXPENDITURES, STATE OPERATIONS -----						
General Fund -----				\$26,336,841	\$26,752,980	\$27,793,771
Motor Vehicle Transportation Tax Fund -----				23,969,842	24,304,257	25,310,832
Motor Vehicle Fuel Fund -----				1,077,379	1,114,622	1,130,386
				1,289,620	1,334,101	1,352,553
APPROPRIATIONS						
State Operations Item 52 (General Fund) -----						\$25,310,832
State Operations Item 53 (Motor Vehicle Transportation Tax Fund) -----						1,130,386
State Operations Item 54 (Motor Vehicle Fuel Fund) -----						1,352,553
REVENUES						
General Fund -----				\$263,243	\$215,000	\$465,000

SECRETARY OF STATE

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Office of the Secretary of State examines and files articles of incorporation and amendments thereto; elections to dissolve and final dissolutions; financing statements; notices of federal and state tax liens; registers trademarks and servicemarks; appoints notaries public; exercises general supervision of elections;

maintains the archives of the state; and attests the official acts of the Governor and Legislature. The Secretary of State is a member of the Commission on Voting Machines and Vote Tabulating Devices which also includes as members the Governor and the Attorney General or their representatives.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Corporate filings -----	48.5	77.7	67	\$601,528	\$1,023,928	\$912,994
II. Elections -----	5.2	7.6	7.9	348,318	487,741	409,439
III. Financing statements -----	29.2	30.7	33.9	435,474	432,081	494,326
IV. Notary public -----	4.3	5.3	5.3	67,872	75,174	79,895
V. Archives -----	8.7	9	9	120,357	139,489	144,317
VI. Administration—undistributed -----	12.8	14.7	14.8	85,209	113,302	126,029
Administration—distributed to other programs -----	-	-	-	(74,163)	(88,572)	(90,170)
Totals, Programs -----	108.7	145	137.9	\$1,658,758	\$2,271,715	\$2,167,000
Reimbursements—other -----				-8,738	-13,474	-13,000
Net Totals, Programs (General Fund) -----				\$1,650,020	\$2,258,241	\$2,154,000

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	108.7	145	137.9	\$882,533	\$1,192,059	\$1,192,018
Staff benefits -----	-	-	-	90,058	138,060	140,381
Totals, Personal Services -----	108.7	145	137.9	\$972,591	\$1,330,119	\$1,332,399

OPERATING EXPENSES AND EQUIPMENT

General expense -----				\$143,939	\$217,704	\$207,611
Data processing operation -----				168,287	217,428	219,952
Travel -----				2,805	9,445	8,392
Facilities expense -----				113,859	121,983	128,382
Contractual service -----				23,047	16,600	23,000
Equipment -----				14,230	38,436	17,264
Totals, Operating Expenses and Equipment -----				\$466,167	\$621,596	\$604,601
Totals, Expenditures -----				\$1,438,758	\$1,951,715	\$1,937,000
Reimbursements—other -----				-8,738	-13,474	-13,000
Net Expenditures -----				\$1,430,020	\$1,938,241	\$1,924,000

SPECIAL ITEMS OF EXPENSE

Transfer to Ballot Paper Revolving Fund -----				-	\$20,000	-
Ballot pamphlet -----				\$220,000	300,000	\$230,000
Totals, Expenditures (General Fund) -----				\$1,650,020	\$2,258,241	\$2,154,000

APPROPRIATIONS

Support, Item 55 (General Fund) -----						\$1,924,000
Support, ballot pamphlets, Item 56 (General Fund) -----						230,000

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----	\$3,772,316	\$4,093,104	\$4,578,871

HERITAGE PRESERVATION COMMISSION

GENERAL ANALYSIS

The California Heritage Preservation Commission is charged with planning for the restoration, preservation and display in the State Capitol and elsewhere throughout the state of the historic documents of the State of California on deposit with the Secretary of State.

The commission, with the Secretary of State as its secretary, is composed of representatives of four state

agencies and a private college or university, six persons appointed by the Governor and two members of each house of the Legislature who constitute a joint interim legislative committee on California heritage preservation.

The commission will furnish a report to the 1971 session of the Legislature to account for its activities.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Continuing program costs (<i>General Fund</i>) -----	\$634	\$800	\$800

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS

OPERATING EXPENSES AND EQUIPMENT

General expense -----	\$484	\$490	\$490
Travel -----	150	310	310
Totals, Expenditures (<i>General Fund</i>) -----	\$634	\$800	\$800

APPROPRIATION

Support, Item 57 (<i>General Fund</i>) -----			\$800
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STATE TREASURER

Headquarters Office at Sacramento

GENERAL ANALYSIS

The State Treasurer provides banking services for state government with a minimum interest and service cost, and with a maximum yield on investment.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Bond sales and servicing -----	10	10.3	10.3	\$264,386	\$299,121	\$303,678
II. Investment services -----	4	4	4	112,542	121,857	131,305
III. Paying and receiving -----	22.9	28.5	27.5	333,088	420,231	464,280
IV. Trust services -----	11.6	12.9	12.9	197,681	206,492	226,052
V. District securities division -----	4.8	9.1	9.1	166,176	194,614	189,488
VI. Administration—distributed to other programs -----	12.7	14	14	(233,328)	(270,986)	(298,699)
TOTALS, PROGRAMS -----	66	78.8	77.8	\$1,073,873	\$1,242,315	\$1,314,803
Reimbursements -----				-177,606	-283,500	-355,988
NET TOTALS, PROGRAMS (General Fund) -----				\$896,267	\$958,815	\$958,815

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Paying and Receiving

The costs of warrant redemption and analysis is projected for continuation on the existing computer facility. Other possibilities have been and are currently being analyzed to provide the most efficient and economical means of redeeming State warrants and developing the analysis of disbursements required by the Treasurer's investment management.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	66	78.8	77.8	\$658,585	\$759,250	\$764,937
Staff benefits -----	-	-	-	65,353	77,073	79,371
Totals, Personal Services -----	66	78.8	77.8	\$723,938	\$836,323	\$844,308
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$166,186	\$235,537	\$277,038
Travel -----				23,134	28,500	30,000
Facilities expense -----				44,655	54,120	53,425
Contractual services -----				98,904	84,412	101,600
Equipment -----				17,056	3,423	8,432
Totals, Operating Expenses and Equipment -----				\$349,935	\$405,992	\$470,495
TOTALS, EXPENDITURES -----				\$1,073,873	\$1,242,315	\$1,314,803
Reimbursements -----				-177,606	-283,500	-355,988
Totals, Expenditures (General Fund) -----				\$896,267	\$958,815	\$958,815

APPROPRIATION

Support, Item 5S (General Fund) ----- \$958,815

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----	\$132,516	\$18,500	\$14,500

DEPARTMENT OF FINANCE

GENERAL ANALYSIS

The Director of Finance serves as the Governor's chief advisor in fiscal and policy matters. This role is carried out through two programs: (1) the programming and budgeting system; (2) fiscal and program compliance.

This budget continues to emphasize the program-

ming and budgeting system with particular focus on the Governor's financial plan, the legislative program system improvements and special projects.

It also provides for increased examination of state funded operations in order to achieve improved program effectiveness and economy.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Programming and Budgeting System	127.3	156.8	151	\$2,288,396	\$2,910,926	\$2,839,222
II. Fiscal and Program Compliance	118.2	70.8	74.6	1,873,794	1,296,909	1,408,589
III. Programs Transferred to Other Agencies	8.7	-	-	167,652	-	-
IV. Administration — Distributed to Other Programs	(15.2)	(15.8)	(13.8)	(376,221)	(405,688)	(393,268)
TOTALS, PROGRAMS	254.2	227.6	225.6	\$4,329,842	\$4,207,835	\$4,247,811
Reimbursements				-177,718	-116,835	-156,811
NET TOTALS, PROGRAMS				\$4,152,124	\$4,091,000	\$4,091,000
General Fund				4,041,850	4,091,000	4,091,000
Fair and Exposition Fund				110,274	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

In recognition of the constantly changing priorities of governmental services, the Department of Finance will continue to emphasize functions where its particular expertise can make the greatest contribution.

In an effort designed to streamline high expenditure areas, special projects will be developed and implemented during the current year and budget year. These projects will employ combined task forces of Finance personnel, representatives of the departments involved, and outside help in an effort to identify areas where savings may be made and where efficiencies may be realized.

The trend established in the current year in the compliance activities will be expanded. Greater emphasis will continue to be placed in the program review as contrasted to fiscal review. In addition, we plan to strengthen our effort on analysis of bills being considered by the Legislature.

The programming and implementation of the budget data system is scheduled for completion during fiscal year 1970-71 in conjunction with the development of a shared computer facility in the Department of General Services. This system will be run in parallel with the existing system during fiscal year 1971-72 before it will be declared operational.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	254.2	227.6	225.6	\$3,234,614	\$3,203,417	\$3,209,467
Staff benefits -----	-	-	-	311,736	314,940	328,588
Totals, Personal Services -----	254.2	227.6	225.6	\$3,546,350	\$3,518,357	\$3,538,055
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				255,157	383,591	393,716
Travel -----				150,734	169,021	167,543
Facilities expense -----				101,255	102,308	107,076
Contractual services -----				262,476	26,450	35,000
Equipment -----				13,870	8,108	6,421
Totals, Operating Expenses and Equipment -----				\$783,492	\$689,478	\$709,756
Totals, Expenditures -----				\$4,329,842	\$4,207,835	\$4,247,811
Reimbursements -----				-177,718	-116,835	-156,811
Totals, Expenditures, State Operations -----				\$4,152,124	\$4,091,000	\$4,091,000
General Fund -----				4,041,850	4,091,000	4,091,000
Fair and Exposition Fund -----				110,274	-	-

APPROPRIATION

Support, Item 59 (General Fund) \$4,091,000

COMMISSION ON CALIFORNIA STATE GOVERNMENT ORGANIZATION AND ECONOMY

GENERAL ANALYSIS

The commission has the responsibility to make studies and recommendations for the purpose of furthering economy, efficiency and improved service in the transaction of public business in the various departments, agencies, and instrumentalities of the executive branch of state government. The commission submits its recommendations to the Governor and the

Legislature. The recommendations may be in the form of a letter, formal printed report, or testimony to a legislative committee. In other instances, its findings and recommendations are presented orally to the Governor and supplemented by commission-sponsored legislation.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Totals, Commission Program -----	2	2	2	\$53,043	\$53,034	\$53,000
General Fund -----				49,043	53,034	53,000
Reimbursements (other) -----				4,000	-	-

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	2	2	2	\$30,396	\$32,171	\$32,171
Staff benefits -----	-	-	-	2,790	3,199	3,199
Totals, Personal Services -----	2	2	2	\$33,186	\$35,370	\$35,370
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$5,576	\$5,884	\$6,531
Travel -----				4,445	8,000	7,259
Facilities expense -----				2,996	2,940	3,000
Contracts -----				6,840	840	840
Totals, Operating Expenses and Equipment -----				\$19,857	\$17,664	\$17,630
Totals, Expenditures -----				\$53,043	\$53,034	\$53,000
Reimbursements -----				-4,000	-	-
Net Expenditures (General Fund) -----				\$49,043	\$53,034	\$53,000

APPROPRIATION

Support, Item 60, (General Fund) -----						\$53,000
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COMMISSION ON INTERSTATE COOPERATION

Headquarters Office at Sacramento

GENERAL ANALYSIS

The commission facilitates the interchange of information between California and other states of experiences and studies pertaining to common problems of the states. Whenever findings or actions on the

federal, state or association level may have gainful application in California or an effect on its welfare, they are communicated by the commission to the responsible agencies of the state.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			

Promotion of Interstate Cooperation (General Fund) -----	-	-	-	\$96,037	\$99,100	\$99,100
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RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS

OPERATING EXPENSES AND EQUIPMENT

General expense -----	\$400	\$2,400	\$2,400
Travel -----	1,337	2,400	2,400
Contract with Council on State Governments -----	94,300	94,300	94,300
Total Expenditures (General Fund) -----	\$96,037	\$99,100	\$99,100

APPROPRIATION

Support, Item 61 (General Fund) -----	\$99,100
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MILITARY DEPARTMENT

GENERAL ANALYSIS

The Military Department provides a military organization to support the Constitution, protect life and property during periods of civil disturbances, emergency or disaster, furnish trained units for fed-

eral mobilization missions, and supervises a course of instruction for male students to develop citizenship through basic military subjects.

SUMMARY OF PROGRAM REQUIREMENTS

	Actual 1969-70 Fiscal Year			Estimated 1970-71 Fiscal Year			Proposed 1971-72 Fiscal Year		
	Total	Support	Federal funds ^a	Total	Support	Federal funds ^a	Total	Support	Federal funds ^a
I. Army National Guard	\$41,135,343	\$3,198,176	\$37,937,167	\$40,518,226	\$3,065,271	\$37,452,955	\$46,884,103	\$3,895,776	\$42,988,327
II. Air National Guard	19,131,818	910,773	18,221,045	20,969,915	926,217	20,043,698	21,975,503	929,290	21,046,213
III. Office of the Commanding General	1,270,437	1,071,975	198,462	1,287,852	1,006,752	281,100	1,312,435	940,249	372,186
IV. Military Retirement	228,340	228,340	-	294,280	294,280	-	387,183	387,183	-
V. California Cadet Corps	92,703	92,703	-	95,389	95,389	-	97,871	97,871	-
TOTALS	\$61,858,650	\$5,501,976	\$56,356,674	\$63,165,671	\$5,387,918	\$57,777,753	\$70,657,095	\$6,250,369	\$64,406,726
Reimbursements	-71,339	-71,339	-	-76,873	-76,873	-	-80,645	-80,645	-
TOTALS, PROGRAM	\$61,787,311	\$5,430,637	\$56,356,674	\$63,088,798	\$5,311,045	\$57,777,753	\$70,576,450	\$6,169,724	\$64,406,726
General Fund	4,662,566	4,662,566	-	4,523,032	4,523,032	-	4,597,992	4,597,992	-
Federal funds	57,124,745	768,071	56,356,674	58,565,766	788,013	57,777,753	65,978,458	1,571,732	64,406,726
PERSONNEL									
MAN-YEARS									
I. Army National Guard	(1,890.2)	231.2	(1,659)	(1,817.1)	209.1	(1,608)	(2,062.7)	263.7	(1,799)
II. Air National Guard	(947.1)	61.1	(886)	(943.8)	60.4	(883.4)	(1,072.7)	59.7	(1,013)
III. Office of the Commanding General	(107.1)	96.1	(11)	(86.1)	75.1	(11)	(86)	75	(11)
IV. Military Retirement	-	-	-	-	-	-	-	-	-
V. California Cadet Corps	(3.7)	3.7	-	(3.7)	3.7	-	(3.7)	3.7	-
TOTALS, PERSONNEL MAN-YEARS	(2,948.1)	392.1	(2,556) ^b	(2,850.7)	348.3	(2,502.4) ^b	(3,225.1)	402.1	(2,823) ^b

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

To reduce the incidence of forced entries into National Guard armories and the resulting theft of arms and ammunition, increased security measures are required including lighting and anti-intrusion devices. The budget year provides \$43,000 to initiate a security program.

Camp Roberts, an installation required for the annual and weekend federal training of units of the California National Guard, is available only as a

result of its lease to the Military Department by the federal government. The entire cost, \$770,106, required for operating expenses and personal services (54.4 positions) will be provided by federal grant to the state.

Increased workload at Air National Guard bases necessitates six additional positions for custodians and janitors. Financing is provided by increased reimbursement from federal funds.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages-----	388.4	344.6	398.4	\$3,275,290	\$3,175,237	\$3,654,482
Staff benefits -----	-	-	-	335,744	338,219	438,934
Totals, Personal Services-----	388.4	344.6	398.4	\$3,611,033	\$3,513,456	\$4,093,416

^a Federal funds not elsewhere reported.

^b Federal technicians managed by the state and providing program support are shown in parentheses for information only.

MILITARY DEPARTMENT—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2				
3	Military Department—Capital Outlay			
4	Major projects -----	-	\$165,000	-
5	Minor projects -----	\$138,715	-	-
6				
7	Totals, Expenditures -----	\$138,715	\$165,000	-
8	General Fund -----	127,591	165,000	-
9	Federal funds -----	11,124	-	-
10	Expenditures of Federal funds not reported elsewhere -----	(\$226,011)	(\$225,000)	(\$1,857,000)

GENERAL ANALYSIS

The Military Department organizes and administers the State Militia which, in the form of the National Guard, is immediately available to the Governor in the event of major civil disturbances, or for military support to civil authority in local or statewide disasters. It also stands ready to augment the federal military forces during national emergencies.

The Capital Outlay program of the Military Department comprises the construction of armories, warehouses, rifle ranges, and other facilities essential to the organization, training and morale of the California Army National Guard and the California Air National Guard. The long-range construction program will provide armories and other facilities to adequately house and train all units.

The federal government under Public Law 783, Eighty-first Congress, has participated in the construction of armories on a cost-sharing basis. Federal funds have been made available on the basis of up to 75 percent of qualifying phases of the construction. In addition to federal participation in the construction of armories, certain facilities such as motor vehicle storage buildings, warehouses, airplane hangars, aircraft parking aprons, and shop buildings primarily for the care and maintenance of federal equipment issued for state use are financed entirely from funds except for the preparation of plans and supervision of construction which is provided by the state.

No additional armory construction is planned for state participation during 1971-72.

PUBLIC UTILITIES COMMISSION

Headquarters Office at San Francisco

GENERAL ANALYSIS

The Public Utilities Commission is a regulatory agency, made up of five members appointed by the Governor, with the advice and consent of the Senate. The commissioners and staff regulate some 1,300 privately owned public utilities and certificated carriers and transportation companies. In addition, approximately 17,000 permitted carriers are regulated by the commission. The commission also administers a program to aid cities and counties to improve protection at railway-highway grade crossings.

The objectives of the Public Utilities Commission are:

To provide the public with the lowest reasonable rates for services provided by utilities, transportation and warehouse companies.

To make certain that utilities and transportation companies render adequate service and have sufficient facilities to meet the needs of the public.

To ensure that the public has stable, efficient utilities and transportation services by controlling and limiting entry into the field to those applicants with financial responsibility and demonstrated capability to render adequate service.

To promote public safety and accident reduction by establishing and enforcing safety regulation for utility and transportation companies, as well as for railroad-highway grade crossings.

To determine the just compensation for the acquisition of utility or transportation company property by political subdivisions.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Regulation of Utilities -----	252.1	245.4	240.3	\$4,620,758	\$4,865,291	\$4,515,003
II. Regulation of Transportation ---	423.1	405.8	417.5	7,574,337	8,008,954	8,058,322
III. Administration—distributed to other programs -----	106.3	105.8	97.7	(1,426,870)	(1,480,974)	(1,431,575)
TOTALS, PROGRAM -----	781.5	757	755.5	\$12,195,095	\$12,874,245	\$12,573,925
Reimbursements -----				-142,324	-143,421	-164,962
NET TOTALS, PROGRAM -----				\$12,052,771	\$12,730,824	\$12,408,963
General Fund -----				6,592,622	6,874,645	6,500,000
Transportation Rate Fund -----				5,460,149	5,856,179	5,908,963

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	781.5	757	755.5	\$9,274,296	\$9,413,878	\$9,530,721
Staff benefits -----	-	-	-	908,253	1,161,088	1,006,250
Totals, Personal Services -----	781.5	757	755.5	\$10,182,549	\$10,574,966	\$10,536,971
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$962,411	\$1,163,573	\$1,032,095
Travel -----				387,000	464,986	406,757
Facilities expense -----				611,826	615,879	580,388
Contractual services -----				-	4,500	-
Equipment -----				51,309	50,341	17,714
Totals, Operating Expenses and Equipment -----				\$2,012,546	\$2,299,279	\$2,036,954
Totals, Expenditures -----				\$12,195,095	\$12,874,245	\$12,573,925
Reimbursements -----				-142,324	-143,421	-164,962
Totals, Expenditures -----				\$12,052,771	\$12,730,824	\$12,408,963
General Fund -----				6,592,622	6,874,645	6,500,000
Transportation Rate Fund -----				5,460,149	5,856,179	5,908,963

PUBLIC UTILITIES COMMISSION—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	APPROPRIATIONS			
2				
3				
4	Support, Item 65 (General Fund) -----			\$6,500,000
5	Support, Item 66 (Transportation Rate Fund) -----			5,908,963
6				
7				
8				
9				
10				
11				
12				
13	General Fund -----	\$719,061	\$737,900	\$746,000
14	Transportation Rate Fund -----	5,599,024	5,412,400	5,796,000
15				

ADVISORY COMMISSION ON THE STATUS OF WOMEN

Headquarters Office at Sacramento

GENERAL ANALYSIS

The purposes of this commission are: (1) to develop recommendations which will enable women to make the maximum contribution to society through a study of the added roles, responsibilities and lengthened life-span of women and the impact of such changes on women and on the society in recent times, and includes, but is not limited to examination of public and private employment practices in California relative to women, state laws relative to women's employment, state laws regarding the civil and politi-

cal rights of women, educational needs and opportunities, and the effect of social attitudes and pressures and economic considerations shaping the roles to be assumed by women in society; (2) to encourage women's organizations and other groups to institute and carry out self-help activities to meet women's educational, employment and related needs; and (3) to publish and transmit to the Legislature findings and recommendations based on its study and activities.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Status of Women Program (General Fund) -----	1.9	2.5	-	\$41,668	\$45,522	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

In accordance with the enabling legislation, the commission will report its findings and recommendations to the Legislature not later than the fifth legislative day of the 1971 session and ceases to exist on June 30, 1971.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	1.9	2.5	-	\$19,541	\$25,508	-
Staff benefits -----	-	-	-	1,985	2,201	-
Totals, Personal Services -----	1.9	2.5	-	\$21,526	\$27,709	-
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$7,130	\$7,210	-
Travel -----				6,443	4,774	-
Facilities expense -----				1,244	1,229	-
Contractual services -----				5,325	4,500	-
Equipment -----				-	100	-
Totals, Operating Expenses and Equipment -----				\$20,142	\$17,813	-
Totals, Expenditures (General Fund) -----				\$41,668	\$45,522	-

CALIFORNIA ARTS COMMISSION

GENERAL ANALYSIS

The commission seeks to find those areas of service where there is a need not being met by other organizations. The commission develops projects designed to bring together the state's many arts councils, theater groups, museums and galleries, symphonies, and other arts organizations on statewide programs that result in mutual benefits and increased services to the arts

for all the people of California. The commission tours visual and performing arts projects throughout the state, utilizing both private and public facilities and support. Both the visual and performing arts projects are planned for touring to isolated rural and metropolitan neighborhoods and suburban areas.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
TOTALS, PROGRAM	7	13	20	\$280,873	\$563,000	\$697,000
Reimbursements—other				-62,513	-1,200	-
NET TOTALS, PROGRAM				\$218,360	\$561,800	\$697,000
General Fund				170,997	168,000	168,000
California Arts Commission Fund				-	308,800	404,000
Federal funds				47,363	85,000	125,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The commission anticipates \$308,800 during 1970-71 and \$404,000 during 1971-72 in revenue to the California Arts Commission Fund to be contributed by the private sector. These funds will be used to develop and inaugurate two exhibitions that tour museum art to communities and neighborhoods, and develop for inauguration during the 1972-73 fiscal year an exhibition that will tour quality paintings and sculpture from the American Revolution period.

In addition, the commission will inaugurate a state-

wide youth orchestra project involving approximately 85 youth orchestras and encourage the development of the state's 140 coordinating arts councils into a statewide association for the purpose of structuring the art groups within a community into a system that eliminates duplication of effort within their community; eliminates local competition for talent and funds; and creates an environment conducive to developing cultural and artistic programs on a self-sustaining basis.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	7	13	20	\$61,840	\$95,936	\$202,084
Staff benefits -----	-	-	-	6,689	10,550	23,240
Totals, Personal Services -----	7	13	20	\$68,529	\$106,486	\$225,324
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$34,508	\$42,014	\$52,176
Travel -----				20,561	25,000	35,000
Facilities expense -----				3,542	8,000	12,000
Contractual services -----				153,643	380,000	370,000
Equipment -----				90	1,500	2,500
Totals, Operating Expenses and Equipment -----				\$212,344	\$456,514	\$471,676
Totals, Expenditures -----				\$280,873	\$563,000	\$697,000
Reimbursements -----				-62,513	-1,200	-
Totals, Expenditures -----				\$218,360	\$561,800	\$697,000
General Fund -----				170,997	168,000	168,000
California Arts Commission Fund -----				-	308,800	404,000
Federal funds -----				47,363	85,000	125,000

APPROPRIATIONS

Support, Item 67 (General Fund)	\$168,000
Support, continuing appropriation (California Arts Commission Fund)	404,000
Support (Federal funds)	125,000

HORSE RACING BOARD

Headquarters Office at Los Angeles

GENERAL ANALYSIS

To sustain and expand the abilities of the combined horseracing and raising industries to produce tax revenues for the State of California.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Protection of California Horseracing (Fair and Exposition Fund)-----	22.4	23.2	23.2	\$331,929	\$355,465	\$355,465
RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages-----	22.4	23.2	23.2	\$219,601	\$240,288	\$241,027
Staff benefits-----	-	-	-	22,345	25,100	26,000
Totals, Personal Services-----	22.4	23.2	23.2	\$241,946	\$265,388	\$267,027
OPERATING EXPENSES AND EQUIPMENT						
General expense-----				\$19,723	\$17,777	\$17,777
Travel-----				34,312	36,500	34,861
Facilities expense-----				7,784	7,800	7,800
Contractual services-----				20,356	20,000	20,000
Legal hearings-----				7,252	8,000	8,000
Equipment-----				556	-	-
Totals, Operating Expenses and Equipment-----				\$89,983	\$90,077	\$88,438
Totals, Expenditures (Fair and Exposition Fund)-----				\$331,929	\$355,465	\$355,465

APPROPRIATION

Support, Item 68 (Fair and Exposition Fund)----- \$355,465

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Fair and Exposition Fund-----	\$8,162,613	\$7,768,742	\$8,166,050

BOARD OF PILOT COMMISSIONERS FOR THE HARBOR OF SAN DIEGO

Office at San Diego

GENERAL ANALYSIS

This board was organized under the provisions of Chapter 4, Division 5, of the Harbors and Navigation Code to license harbor pilots and certify that they are qualified to pilot in their waters and to establish a fair price for their services.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Licensing and regulation-----	0.1	0.1	-	\$1,200	\$700	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Reorganization Plan No. 1 of 1969 eliminated this activity from state support effective January 1, 1971, on the grounds that this is not a state function and should be performed at the local level.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES -----	0.1	0.1	-	\$1,100	\$600	-
OPERATING EXPENSES AND EQUIPMENT -----				100	100	-
Totals, Expenditures (General Fund)-----				\$1,200	\$700	-

**BOARD OF PILOT COMMISSIONERS FOR THE BAYS OF SAN
FRANCISCO, SAN PABLO, AND SUISUN**

Headquarters Office at San Francisco

GENERAL ANALYSIS

This board licenses persons qualified to pilot vessels on San Francisco, San Pablo and Suisun Bay, and implements rates for their services based upon recommendation of the Pilotage Rate Committee. The Pilotage Rate Committee's function is to conduct public

hearings upon the petition of any party directly affected by pilotage rates and upon conclusion of such public hearings to furnish the Legislature copies of their findings and recommendations for final determination by the Legislature.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Regulation and Licensing of Pilots (<i>Pilot Commissioner's Special Fund</i>) ---	4	4	4	\$27,991	\$33,731	\$34,224

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Governor's Reorganization Plan No. 1 of 1969 abolished this board effective January 1, 1971 and funds were provided to continue board operations only through December 31, 1970. The board was reestablished effective January 1, 1971, by Chapter 1302,

Statutes of 1970. Funds to continue the operations of the board from January 1, 1971 through June 30, 1971, and for the fiscal year 1971-72 have been provided and are presented in this budget.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	4	4	4	\$18,400	\$19,110	\$19,320
Staff benefits -----	-	-	-	677	858	936
Totals, Personal Services -----	4	4	4	\$19,077	\$19,968	\$20,256
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$6,662	\$11,088	\$11,268
Travel -----				92	275	300
Facilities expense -----				2,160	2,400	2,400
Totals, Operating Expenses and Equipment -----				\$8,914	\$13,763	\$13,968
Totals, Expenditures (<i>Pilot Commissioner's Special Fund</i>) -----				\$27,991	\$33,731	\$34,224

APPROPRIATION

Support, Item 69 (<i>Pilot Commissioner's Special Fund</i>) -----	\$34,224
---	----------

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Pilot Commissioner's Special Fund -----	\$23,453	\$25,142	\$28,184

BOARD OF HARBOR COMMISSIONERS FOR HUMBOLDT BAY

Office at Eureka

GENERAL ANALYSIS

The Board of Harbor Commissioners for Humboldt Bay was organized to insure the safety of navigation of the Port of Eureka and Humboldt Bay.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Harbor Commissioners for Humboldt Bay (<i>General Fund</i>) -----	\$3,429	\$1,500	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Authorization for the board expired on January 1, 1971, in accordance with the Governor's Reorganization Plan No. 1 of 1969. Chapter 1283, Statutes of 1970, provides for the establishment of the Humboldt Bay Harbor, Recreation, and Conservation District in Humboldt County, a local agency that will include within its jurisdiction the functions of the expiring Board of Harbor Commissioners for Humboldt Bay.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
PERSONAL SERVICES -----	\$3,429	\$1,500	-
Totals, Expenditures (<i>General Fund</i>) -----	\$3,429	\$1,500	-

PERSONAL SERVICES NOT ELSEWHERE REPORTED

GENERAL ANALYSIS

The purpose of this program is to provide health protection for retired employees.

	1969-70	1970-71	1971-72	1969-70	1970-71	1971-72
	Number of Annuitants			Cost by System		
Retirement System	156	169	184	\$15,802	\$21,125	\$27,887
Judges' -----	53	60	65	5,448	7,345	9,875
Legislators' -----	16,776	18,617	20,597	1,655,719	2,300,545	3,097,906
Employees' -----	122	134	150	12,053	16,640	22,436
Teachers' -----						
Totals -----	17,107	18,980	20,936	\$1,689,052	\$2,345,655	\$3,158,104

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Continuing program costs (<i>General Fund</i>) -----	\$1,689,052	\$2,345,655	\$3,158,104

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Chapter 212, Statutes of 1970, sets the state's contribution for basic health insurance at \$10 per month during the 1970-71 fiscal year with a two-dollar increase in each succeeding fiscal year until 1973-74 when it will be \$16 per month.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
Personal Services (<i>General Fund</i>) -----	\$1,689,052	\$2,345,655	\$3,158,104

APPROPRIATION

Support, Item 70 (<i>General Fund</i>) -----	\$3,158,104
--	-------------

REFUNDS OF TAXES, LICENSES, AND OTHER FEES

GENERAL ANALYSIS

For refunding the licenses, taxes and other fees erroneously collected and paid into the General Fund for which no other specific provision of the law exists. Funds are also available for payment of prior judgments, liens or encumbrances as provided in Government Code Section 12516.

This item is appropriated each year to provide for expeditious refunds of nonecontroversial amounts paid and deposited in the General Fund. This avoids the necessity of filing claims with the Board of Control and inserting items in a claims bill.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Refunds (<i>General Fund</i>) -----	\$26,847	\$20,000	\$30,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

An increase of \$10,000 is proposed to cover refunds of taxes in special situations confronting the Franchise Tax Board in which a court of record orders the refund of taxes collected, withheld or transmitted from persons subject to trial and for which no other provision for refund is made by law.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
Refunds (<i>General Fund</i>) -----	\$26,847	\$20,000	\$30,000
APPROPRIATION			
Support, Item 71 (<i>General Fund</i>) -----			\$30,000

STORM AND FLOOD DAMAGE REPAIR

GENERAL ANALYSIS

The program provides financial assistance to local governmental entities of this state for the permanent repair and restoration of damaged publicly owned facilities such as: buildings and utilities; levees, dams, and channels; and streets, roads, and bridges.

When the Legislature makes funds available to the State Allocation Board and the Department of Finance for a specifically declared disaster period, the

reported damages are investigated by the Departments of General Services, Water Resources, and Public Works to ascertain the level of assistance which can be provided. Agreements between local agencies and the state are entered into and payments are made as reimbursements for costs incurred. Audits are performed by the State Controller's Office.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Totals, Storm and Flood Damage Repair-----	\$24,516,347	\$8,553,899	\$1,200,000
<i>General Fund</i> -----	281,122	1,518,878	1,200,000
<i>California Water Fund</i> -----	16,075	-	-
<i>Street and Highway Disaster Fund</i> -----	7,619,823	3,562,707	-
<i>Street and Highway Disaster Fund (Federal) a</i> -----	16,599,327	3,472,314	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Twenty-three storm and flood damage applications were filed by local agencies in connection with the December 1969 through July 1, 1970, designated storm period (Chapter 10, Statutes of 1970) in the total amount of \$4,177,361. A breakdown of the 23 applications shows that 15 covered streets, roads, and bridges, for \$3,278,870; five covered buildings and utilities for \$332,182 and three covered levees, dams, and channel work for \$566,309.

Based on investigation of the proposed works, less available federal assistance, and application of the cost-sharing formula prescribed in the Emergency Flood Relief Law, state assistance for repairs under the 1970 program will total about \$965,000. Final costs related to prior disasters are estimated to require an additional \$235,000, for a total of \$1,200,000.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
LOCAL ASSISTANCE			
Storm and flood damage repair -----	\$23,939,067	\$8,202,036	\$1,200,000
Snow removal assistance -----	577,280	451,863	-
Loan repayments -----	-	-100,000	-
Totals, Expenditures -----	\$24,516,347	\$8,553,899	\$1,200,000
<i>General Fund</i> -----	281,122	1,518,878	1,200,000
<i>California Water Fund</i> -----	16,075	-	-
<i>Street and Highway Disaster Fund</i> -----	7,619,823	3,562,707	-
<i>Street and Highway Disaster Fund (Federal) a</i> -----	16,599,327	3,472,314	-

APPROPRIATION

Local assistance, Chapter 52, Statutes of 1969 (*General Fund*)----- \$1,200,000

a Neither receipts nor expenditures of federal funds are included in overall budget totals.

EARTHQUAKE DAMAGE REPAIR**GENERAL ANALYSIS**

Repayment of loans to local agencies for replacement, repair, or reconstruction of any public facility which was damaged or destroyed by an earthquake after July 1, 1952.

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Project Detail:			
City of Bakersfield -----	-\$40,000	-\$40,000	-\$40,000
City of Eureka -----	-13,818	-13,818	-14,236
City of Monrovia -----	-11,000	-11,000	-11,000
City of Shafter -----	-3,485	-3,485	-3,555
County of Tulare -----	-50,110	-50,110	-51,117
Totals, Program Repayments -----	-\$118,413	-\$118,413	-\$119,908

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Earthquake Damage Repair (<i>General Fund</i>) -----	-\$118,413	-\$118,413	-\$119,908
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
LOCAL ASSISTANCE			
Repayment of loans to local agencies -----	-\$118,413	-\$118,413	-\$119,908
APPROPRIATION			
Other: Repayment of loans to local agencies -----			-\$119,908

SENIOR CITIZENS PROPERTY TAX ASSISTANCE**GENERAL ANALYSIS**

Senior citizens property tax assistance provides financial assistance to senior citizens with limited income for local property tax payments.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Property tax assistance (<i>General Fund</i>) -----	\$7,858,999	\$8,600,000	\$10,000,000
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
LOCAL ASSISTANCE			
Property tax assistance -----	\$7,858,999	\$8,600,000	\$10,000,000
APPROPRIATION			
Local assistance, Item 72 (<i>General Fund</i>) -----			\$10,000,000

PERSONAL PROPERTY TAX RELIEF

GENERAL ANALYSIS

To reimburse local governments for property tax losses from partial exemption on business inventory evaluation.

PROGRAM REQUIREMENTS		ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Personal Property Tax Relief -----		\$48,852,648	\$90,545,761	\$98,755,000
RECAPITULATION BY OBJECT		ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
LOCAL ASSISTANCE				
Personal Property Tax Relief -----		\$48,852,648	\$90,545,761	\$98,755,000
<i>General Fund</i> -----		41,915,991	93,928,571	79,000,000
<i>Property Tax Relief Fund</i> -----		6,936,657	-3,382,810	19,755,000
APPROPRIATIONS				
Local Assistance, Chapter 927, Statutes of 1968, Regular Session and Chapters 777 and 1164, Statutes of 1970:				
<i>General Fund</i> -----				\$79,000,000
<i>Property Tax Relief Fund</i> -----				19,755,000

HOMEOWNERS' PROPERTY TAX RELIEF

GENERAL ANALYSIS

Local governments are reimbursed for property tax losses resulting from homeowners' property tax exemptions.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
	69-70	70-71	71-72				
Homeowners' Property Tax Relief (General Fund) -----	-	-	-	\$199,693,836	\$217,700,000	\$235,000,000	
RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)				
LOCAL ASSISTANCE							
Homeowners' property tax relief (General Fund) -----	-	-	-	\$199,693,836	\$217,700,000	\$235,000,000	
APPROPRIATION							
Local Assistance, Item 73 (General Fund) -----						\$235,000,000	

Debt Service

BOND INTEREST AND REDEMPTION

GENERAL ANALYSIS

The debt service expenditures of the 1971-72 Governor's Budget include the interest and principal redemption payments of the State Construction Program Bond Act, the State Higher Education Construction Program, the Junior College Bond Act of 1968, the State Beach, Park, Recreational and Historical Facilities Bond Act of 1964, the Recreation and Fish and Wildlife Bond Act of 1970, and the Clean Water Bond Act of 1970.

Program and Performance

State construction program bond acts	Total authorized	January 4, 1971	
		Issued	Unissued
1955 -----	\$200,000,000	\$200,000,000	-
1958 -----	200,000,000	200,000,000	-
1962 -----	270,000,000	270,000,000	-
1964 -----	380,000,000	380,000,000	-
State Higher Education Construction Program Bond Act of 1966	230,000,000	230,000,000	-
Junior College Construction Program Bond Act of 1968	65,000,000	35,000,000	\$30,000,000
State Beach, Park, Recreational and Historical Facilities Bond Act of 1964	150,000,000	105,000,000	45,000,000
Recreation and Fish and Wildlife Enhancement Bond Act of 1970	60,000,000	-	60,000,000
California Clean Water Bond Act of 1970	250,000,000	-	250,000,000

The bond sales of the 1970-71 fiscal year during the first six months that have been completed total \$155,460,000, and a proposed bond sale of \$10,000,000 for the Clean Water Bond Act of 1970 is planned during the spring of 1971.

The bond sales of the 1971-72 fiscal year will include \$30,000,000 for the Junior College Construction Program Bond Act of 1968, \$25,000,000 for the State Beach, Park, Recreational and Historical Facilities Bond Act of 1964, \$5,000,000 for the Recreational and Fish and Wildlife Bond Act of 1970, \$50,000,000 for the Clean Water Bond Act of 1970.

The School Building Aid Bond financial program appears in the local assistance part of the budget presentation for education.

The California Water Resources Development Bond Fund program, the Veterans' Farm and Home Building Fund of 1943 program, and San Francisco Harbor Improvement Fund program and the Small Craft Harbor Improvement Fund program are public service enterprises, and the revenues derived from their own activities are the sources from which the debt service costs are financed.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			

STATE OPERATIONS

Totals, Expenditures (<i>General Fund</i>) Interest -----	\$40,914,621	\$46,464,061	\$49,723,808
Totals, Expenditures (<i>General Fund</i>) Redemption -----	43,500,000	44,425,000	54,106,000
Bond Interest and Redemption:			
<i>General Fund</i> -----	\$84,414,621	\$90,889,061	\$103,829,808
<i>Olympic Bond Fund</i> ^a -----	26,157	-	-
Totals, Expenditures (<i>Accrual basis</i>) -----	\$84,440,778	\$90,889,061	\$103,829,808

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

Special item of expense:			
Debt Service -----	\$84,440,778	\$90,889,061	\$103,829,808

APPROPRIATIONS

Support:			
Continuing appropriations (<i>General Fund</i>) -----			\$103,829,808

PAYMENT OF INTEREST ON GENERAL FUND LOANS

GENERAL ANALYSIS

Temporary loans from special funds are required each year to provide cash during the months when disbursements exceed collected revenues for the General Fund.

The interest cost for these temporary loans are contained in this budget. Supporting statements of cash flow and statements of accounts payable for the past

year, the current year and the budget year are included in the budget supplement for General Government.

Since cash receipts and disbursements are not always the same as budgetary revenue and expenditures on an accrual basis, the cash statements will not always agree with budgeted amounts.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Total interest cost (<i>General Fund</i>) -----	\$767,256	\$9,200,000	\$14,400,000

HIGHLIGHTS OF PROGRAM

Interest cost for temporary loans required by the General Fund during the 1970-71 and 1971-72 fiscal years will increase significantly from that required in the 1969-70 fiscal year.

Declining cash surpluses and depressed economic conditions will require heavier General Fund borrowing from special funds during the 1970-71 and 1971-72 fiscal years. The beginning surplus of \$144.8 million in the current year will be exhausted and the General Fund will end the year in a borrowed position. By the end of the 1971-72 fiscal year, all temporary loans will

be liquidated and the General Fund will end the year with a cash surplus of \$1.9 million.

Due to heavier than normal borrowing, projected temporary loan needs as shown in the budget supplement for September and October 1971 and March 1972 will exceed the estimated amount of borrowable resources available to the General Fund.

This difference could be resolved by one of two proposals that will be made to the Legislature. Should these proposals fail to be enacted, this problem could then be alleviated under current statutes.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS

Special Items of Expense:			
Payment of Interest on General Fund loans (<i>General Fund</i>) --	\$767,256	\$9,200,000	\$14,400,000

APPROPRIATION

Support, Item 74 (<i>General Fund</i>) -----	\$14,400,000		
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AUGMENTATIONS FOR SALARY INCREASE

GENERAL ANALYSIS

The salary increase programs for 1971-72 will consist of Unemployment Insurance, Premium Pay for Overtime and Night Shift Differential.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
I. Unemployment Insurance -----	-	-	\$234,000
II. Premium Pay for Overtime -----	-	-	7,675,000
III. Night Shift Differential -----	-	-	3,163,000
IV. Judicial Salary Increase -----	-	-	5,000
TOTALS, PROGRAMS -----	-	-	\$11,077,000
General Fund -----	-	-	4,759,000
Special funds -----	-	-	4,632,000
Other funds -----	-	-	1,686,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Unemployment Insurance

For those state employees with permanent or probationary status who are laid off because of budget reductions or other reasons of economy, an unemployment insurance program is proposed which will provide unemployment compensation benefits on the same terms and conditions as are specified in the Unemployment Insurance Code for other individuals. Enabling legislation will be introduced in the 1971 Legislature.

Federal law (PL 91-373) provides that state legislation must be adopted to extend unemployment insurance coverage to employees of state hospitals and institutions of higher education by January 1, 1972, in order for the state to retain some current benefits. Proposed legislation to include the necessary funding will be introduced in the 1971 Legislature.

Premium Pay for Overtime

Chapter 32, Statutes of 1969, appropriated funds to provide premium pay for those state employees covered by the extended Fair Labor Standards Act beginning February 1, 1967. This program was continued in the Budget Act of 1969 to provide sufficient opportunity for departments to resolve employment practices causing the overtime in the covered classes or absorb the costs of practices which must be continued. There are about 40,000 state employees who are not covered by the terms of the Fair Labor Standards Act but who would be entitled to premium overtime pay by private industry standards. The Univer-

sity of California is already under this extended program. The funds budgeted are required to bring civil service and related classes and those classes whose salaries are set by the Trustees of the State Colleges into conformity. The proposed program to extend the premium pay for overtime is dependent upon passage of legislation authorizing such payments.

Night Shift Differential

A night shift differential program was established for state employees in 1966; however, its use has been limited to employees in some departments supported from special funds. This program is proposed to extend the payment of night shift differential at the rate established by the State Personnel Board pursuant to Government Code Section 18852 to additional classes of state employees whose counterparts in private industry receive such payments. The University of California is already under this extended program. The funds are required to bring civil service and related classes and those classes whose salaries are set by the Trustees of the State Colleges into conformity.

Judicial Salary Increase

With the passage of SB 1123 (Chapter 1507, Statutes of 1969), judges became entitled to an annual salary adjustment effective on September 1 of each year.

Five thousand dollars is proposed effective September 1, 1971, in lieu of the adjustment authorized in the above chapter.

AUGMENTATIONS FOR SALARY INCREASE—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	STATE OPERATIONS			
2				
3				
4	Augmentations for salary increase (expenditures) -----	-	-	\$11,077,000
5	<i>General Fund</i> -----	-	-	4,759,000
6	<i>Special funds</i> -----	-	-	4,632,000
7	<i>Other funds</i> -----	-	-	1,686,000
8				
9	APPROPRIATIONS			
10				
11	Support, Item 75, Unemployment Insurance (<i>General Fund</i>) -----			\$234,000
12	Support, Item 76, Premium Pay for Overtime (<i>General Fund</i>) -----			2,675,000
13	<i>Special Funds</i> -----			3,785,000
14	<i>Other Funds</i> -----			1,215,000
15	Support, Item 77, Night Shift Differential (<i>General Fund</i>) -----			1,845,000
16	<i>Special Funds</i> -----			847,000
17	<i>Other Funds</i> -----			471,000
18	Support, Item 78, Judicial Salary Increase (<i>General Fund</i>) -----			5,000

RESERVES FOR CONTINGENCIES

GENERAL ANALYSIS

Funds are required by various state agencies for unforeseen contingencies for which no appropriation or an insufficient appropriation has been made. Amounts as required are allocated to the various agencies by the Department of Finance based upon

the determination of need. All of these allocations are shown as available funds in each agency budget. The unallocated balance shows as an expenditure in this section of the budget.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Unallocated balance (<i>General Fund</i>) -----	-	\$499,282	\$1,000,000

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS

Special Items of Expense:			
Reserve for Contingencies (<i>General Fund</i>) -----	-	\$499,282	\$1,000,000

APPROPRIATION

Support, Item 79 (<i>General Fund</i>) -----			\$1,000,000
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LEGISLATIVE CLAIMS

GENERAL ANALYSIS

This program includes all claims which have been approved by the Board of Control, and must be referred to the Legislature for payment in accordance with state law.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Legislative Claims:			
General Fund -----	\$157,359	\$155,991	\$85,197
Special fund -----	41,264	33,766	6,620
Nonrevenue funds ^a -----	32,063	43,045	3,800
Totals, Legislative Claims -----	\$230,686	\$232,802	\$95,617

APPROPRIATION

Support, Item 80 (Various funds) -----			\$95,617
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^a The expenditure of these funds is not included in overall budget totals.

SHARED REVENUES

LINE	PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	I. For General Government -----	\$28,560,245	\$30,907,139	\$27,632,000
2	II. For County and City Purposes -----	582,203,360	621,582,527	649,995,000
3				
4	TOTALS, PROGRAMS -----	\$610,763,605	\$652,489,666	\$677,627,000
5	General Fund -----	142,274	1,080,000	1,405,000
6	Special funds -----	594,204,159	637,156,177	663,490,000
7	Federal funds ^a -----	16,417,172	14,253,489	12,732,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Appportionment of Highway Carriers' Uniform
Business Tax Fee

The enactment of Chapter 1410, Statutes of 1970 added an additional in-lieu apportionment to the Shared Revenue budget. Effective October 1, 1970, a levy equal to one-tenth of 1 percent of the gross reve-

nue earned by highway carriers will be collected in lieu of the personal property tax levy by the various cities and counties in California in accordance with Section 4306(b) of the Public Utilities Code. The revenue will then be disbursed in accordance with the terms of the enabling legislation.

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
23				
24	LOCAL ASSISTANCE			
25	Special Items of Expense:			
26	Shared revenues -----	\$610,763,605	\$652,489,666	\$677,627,000
27	General Fund -----	142,274	1,080,000	1,405,000
28	Special funds -----	594,204,159	637,156,177	663,490,000
29	Federal funds ^a -----	16,417,172	14,253,489	12,732,000

UNALLOCATED

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
36				
37	Major Projects -----	\$47,362,936	\$2,618,934	\$1,510,000
38	Totals, Expenditures -----	\$47,362,936	\$2,618,934	\$1,510,000
39	General Fund -----	47,342,202	75,000	-
40	State Construction Program Fund (prior bond issue) -----	-	513,713	500,000
41	State Construction Program Fund (1966 bond issue) -----	20,734	2,020,221	1,000,000
42	Harbors and Watercraft Revolving Fund -----	-	10,000	10,000

GENERAL ANALYSIS

Allocations are required each year to cover increased cost incurred in Capital Outlay projects.

Lump sum appropriations for project planning, increased cost of construction and miscellaneous repairs, improvements and equipment have been provided from which allocations to agencies are made as needed. The expenditures from such allocations are included in the individual agency budgets. That part which has not been allocated but which is estimated to be needed for further allocations, is included here as an expenditure.

Funds for preparation of complete project planning are proposed to continue the presently authorized

procedures for securing sound cost estimates for subsequently budgeted projects.

Expenditures from available appropriations are estimated for allocation to state agencies upon approval of the State Public Works Board as prescribed by Sections 16409 and 16354 of the Government Code and for increased cost of construction when the lowest bid on a project is in excess of the available funds for such project. Savings from completed projects are transferred to these funds and are available by law for such allocations.

APPROPRIATION

Capital Outlay, Item 295 (Harbors and Watercraft Revolving Fund) ----- \$10,000

^a The expenditure of these funds is not included in overall budget totals.



AGRICULTURE AND SERVICES

DEPARTMENT OF AGRICULTURE

GENERAL ANALYSIS

The departmental objectives and responsibilities are:

To promote, protect and further the economy of the state's agricultural industry to the fullest extent commensurate with the public welfare.

To actively further and protect, within the authority delegated to the department, the health and welfare of the people of the state.

To assume active leadership in meeting current agricultural problems.

To identify, study and recommend solutions to the state's agricultural problems, future needs, and to sustain the ability to provide adequate supplies of food and fiber.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Agricultural Pest and Disease Prevention	522.5	504.4	488.6	\$8,479,117	\$8,797,791	\$9,085,139
II. Agricultural Standards and Inspection Service	609.4	635.9	542.9	8,419,367	9,458,779	8,400,293
III. Agriculture Marketing Service	667.8	706.7	362.3	9,028,278	9,818,209	5,743,822
IV. Financial Supervision of Local Fairs	16	14.3	16	261,740	334,718	355,522
V. Assistance to Counties for Agricultural Purposes	-	-	-	171,431	1,422,046	991,046
VI. Administrative Supporting Costs—Distributed to Programs	93.3	101.9	78.3	(1,062,206)	(1,116,069)	(890,358)
Distributed to continuing programs, other state departments and trust funds	20.5	15.9	40.2	205,048	159,304	401,847
Undistributed administrative costs	-	-	-	-4,939	-	-
TOTALS, PROGRAMS	1,929.5	1,979.1	1,528.3	\$26,560,042	\$29,990,847	\$24,977,669
Reimbursements				-2,606,143	-2,746,412	-3,097,232
NET TOTALS, PROGRAMS				\$23,953,899	\$27,244,435	\$21,880,437
General Fund				12,865,526	12,487,909	12,350,620
Department of Agriculture Fund				10,759,855	14,524,677	9,324,232
Fair and Exposition Fund				213,035	184,928	205,585
Federal funds				115,483	46,921	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The Department of Agriculture has effected a General Fund reduction in program expenditures in the budget year. General Fund programs were very carefully reviewed and evaluated by both the department and the agency secretary. This process of review and evaluation resulted in a ranking of all General Fund programs in the department in an order of priority. Priorities were determined on the basis of: (1) critical services to the public and the agricultural industry; (2) supporting necessary services for the public and the agricultural industry; (3) programs where shared funding appeared necessary and possible; and (4) interim modification and reductions. Pursuant to this examination, program emphasis and program funding were established as presented in this document.

Agriculture Fund adjustments include a \$5.6 million transfer of program to continuing appropriations under the authority of Section 221 of the Agriculture Code (Chapter 284, Statutes of 1970—AB 938). The Agriculture Fund programs transferred to continuing appropriations are not reported in the budget.

Changes in program emphasis by major program areas that are proposed in the budget year are as follows:

I. *Agricultural Pest and Disease Prevention Program*

A major change in this program area is a continued reduction of emphasis on the border vehicle inspection program and an accelerated effort in early pest detection and eradication. Program revisions and realignments in this program area include decreasing General Fund support for some pest eradication programs. Specific changes in program elements are:

Plant Quarantine—The net decrease in the budget year is the result of reduction in emphasis on border inspection with increasing emphasis being placed on the accelerated early detection of and eradication of pests through this element's contribution to the implementation of the pest detection system.

Entomology—The change in the budget year results primarily from a change in emphasis in the grape leaf skeletonizer activity which is possible through the concentration of eradication efforts to areas where this pest is a serious economic hazard.

Plant Pathology—Program decreases in this element are the result of internal program adjustments with the major reduction in the peach yellow leaf roll activity.

DEPARTMENT OF AGRICULTURE—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

Apiary Inspection—Current developments in the disease control program through the use of antibiotics have allowed a reduction of program staffing.

Weed and Vertebrate Pest Control—Net increases in the budget year are caused by implementation of this bureau's portion of the pest detection survey activity and are partially offset by transfer of plague control workload to the Department of Public Health.

II. *Agricultural Standards and Inspection Services*

This program area has relatively little General Fund support and the major program changes are a shift of state inspection services to shared state-industry support. Program element changes are:

Seed Service—Budget year changes reflect the reduction of General Fund support and the anticipation of increased industry sharing of program costs.

III. *Agricultural Marketing Services*

The Agricultural Marketing Services program reflects the continuing effort the department has made to streamline the market information system. A portion of the marketing practices improvement has been to have industry directly pick up the federal-state shared program. Program element changes are:

Market News—Budget year changes reflect the emphasis placed on streamlining the market information system through the use of improved methods and technological innovations in providing market information.

Matched Fund Marketing Products—Estimated reductions in this program represent a \$46,921 decrease from 1970-71. State participation in this federal-state program is designed to improve marketing practices. Eliminated are a certification methodology project, a fruit acreage sampling project, and a marketing process project. These projects are available for industry sharing with the federal government should the industry wish to participate.

IV. *Administration*

As General Fund operating program costs diminished, specific effort has been given to reducing administrative costs.

Public Information—A \$20,800 reduction of this program element represents an adjustment in news releases to the press and other media. There is a \$5,000 reduction in out-of-state travel.

Miscellaneous—There is an additional General Fund reduction in the budget spread throughout all programs. This is a result of reducing program budgets to minimum operating levels and instituting economies with strong management controls.

Specific program increases (all funds) include:

Current Year Increases—Programs increased in the current year include the continuation of the Turlock and Petaluma veterinary laboratories. These laboratories are continued under the authority of Chapter 315, Statutes of 1970. This continuation represents a decrease of \$47,000 in General Fund support from 1969-70, which occurs primarily through initiation of industry sharing of program costs by charging fees for services as authorized by Chapter 315.

Chapter 1017, Statutes of 1970 established industry sharing of the beet leafhopper control program in the amount of \$168,816. The General Fund supports the remaining 50 percent of the cost of this program averaged over the duration of the program.

Budget Year Increases—Specific program increases proposed in this budget consist primarily of the funds provided by Chapter 1571, Statutes of 1970. Chapter 1571 provides \$569,000 in the current and \$1 million in the budget year for emergency pest detection, eradication and research.

This legislation also provided \$500,000 as reimbursement for charges for state administrative costs.

Finally, the bill provided for transfer of remaining balances (\$1,250,000 in the 1970-71 and \$819,000 estimated for 1971-72) to counties as partial reimbursement for county expenses for carrying out agricultural programs authorized by the Agricultural Code and supervised by the Department of Agriculture. It is important to note that amounts transferred to counties for local assistance depend upon reports by the Secretary of Business and Transportation Agency and the Secretary of Agriculture and Services setting forth the current estimate of money available as provided in Chapter 1571, Statutes of 1970.

DEPARTMENT OF AGRICULTURE—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2							
3							
4	PERSONAL SERVICES						
5	Net salaries and wages -----	1,929.5	1,979.1	1,549.5	\$18,150,482	\$19,486,219	\$16,272,239
6	Staff benefits -----	-	-	-	1,918,816	2,065,748	1,726,944
7							
8	Totals, Personal Services -----	1,929.5	1,979.1	1,549.5	\$20,069,298	\$21,551,967	\$17,999,183
9							
10	OPERATING EXPENSES AND EQUIPMENT						
11	General expense -----				\$2,608,723	\$2,572,330	\$2,167,373
12	Travel -----				1,661,909	1,868,069	1,359,909
13	Facilities expense -----				350,084	346,911	361,533
14	Contractual services -----				1,081,487	949,416	773,721
15	Equipment -----				511,412	617,266	508,933
16							
17	Totals, Operating Expenses and Equipment -----				\$6,213,615	\$6,353,992	\$5,171,469
18	Emergency pest detection and eradication -----				-	569,000	1,000,000
19							
20	Totals, Expenditures -----				\$26,282,913	\$28,474,959	\$24,170,652
21	Reimbursements -----				-2,606,143	-2,746,412	-3,097,232
22	Less pro rata charges from continuing						
23	appropriations for divisional serv-						
24	ices -----	-	-	-21.2	-	-	-184,029
25							
26	Net Expenditures -----				\$23,676,770	\$25,728,547	\$20,889,391
27							
28	SPECIAL ITEMS OF EXPENSE						
29	Federal-state matched funds marketing projects -----				\$52,849	\$46,921	-
30							
31	Totals, Expenditures, State Operations -----				\$23,729,619	\$25,775,468	\$20,889,391
32	General Fund -----				12,694,095	12,315,863	12,178,574
33	Agriculture Fund -----				10,759,855	13,274,677	8,505,232
34	Fair and Exposition Fund -----				213,035	184,928	205,585
35	Federal funds -----				62,634	-	-
36	Federal-State Matched Funds Marketing Projects -----				52,849	46,921	-
37							
38							
39	LOCAL ASSISTANCE						
40							
41	Salaries of county agricultural commissioners -----				\$170,985	\$171,600	\$171,600
42	Land under contract -----				446	446	446
43	Payment to counties for agricultural programs -----				-	1,250,000	819,000
44							
45	Totals, Local Assistance -----				\$171,431	\$1,422,046	\$991,046
46	General Fund -----				171,431	172,046	172,046
47	Agriculture Fund -----				-	1,250,000	819,000
48							
49							
50	APPROPRIATIONS						
51							
52	State operations, Item 81 (General Fund) -----						\$12,178,574
53	State operations, Item 82 (Agriculture Fund) -----						7,005,232
54	State operations, Item 83 (Fair and Exposition Fund) -----						205,585
55	Local assistance, Item 84 (General Fund) -----						171,600
56	Local assistance, Item 85 (General Fund) -----						446
57	Local assistance, Chapter 1571, Statutes of 1970 (Department of Agriculture Fund) -----						819,000
58	Other:						
59	Chapter 1571, Statutes of 1970 (Department of Agriculture Fund) -----						1,500,000
60							
61							
62	REVENUES				ACTUAL	ESTIMATED	PROPOSED
63					1969-70	1970-71	1971-72
64							
65							
66							
67	General Fund -----				\$87,380	\$77,793	\$80,293
68	Agriculture Fund -----				12,370,500	11,883,156	12,065,758
69							
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DEPARTMENT OF AGRICULTURE—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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Department of Agriculture—Capital Outlay

Major projects -----	\$4,323	\$1,700	-
Minor projects -----	28,750	-	-
Totals, Expenditures (General Fund) -----	\$33,073	\$1,700	-

GENERAL ANALYSIS

The work of this department is of a regulatory and service nature. It is headquartered in Sacramento and has offices, field crews, advisors, and consultants operating throughout the state. A major portion of the departmental responsibility is accomplished in cooperation with the 52 offices of the county agricultural commissioners.

Current and past year expenditures meet the following needs:

Plant Quarantine—One of the objectives of this program element is preventing new and economically important pests from entering the state by monitoring and regulating produce entering the state via highways. A new section of freeway at the Winterhaven Inspection Station opened in 1970. To effectively accomplish the above objective, with a minimum of inconvenience to inbound traffic, it was necessary to modify the entrance roadway at a cost of \$76,885, of which \$70,862 was expended in 1968-69, \$4,323 in 1969-70 and \$1,700 in the current year. The relocated facility is an off-highway inspection operation and is

part of the joint use program for California and Arizona at this border location.

An Arizona inspection station financed by the State of Arizona, has been constructed in California. Construction is being accomplished by contracts between Arizona and the applicable contractors, with this department acting as an intermediary. Both Arizona and California programs will jointly use the facility. It is located across the freeway from the Winterhaven Inspection Station.

Veterinary Laboratory Services—Minor construction projects totalling \$28,750 were expended in the past year for an air-conditioning system in the diagnostic laboratory on Meadowview Road. This is in the Agricultural Pest and Disease Prevention Program, under the Veterinary Laboratory Services element. The basic need for this element is the prompt and accurate diagnosis of livestock and poultry diseases. The air-conditioning system was justified on the basis of the need to stabilize the atmospheric conditions in the laboratory building.

SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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Facilities Financed by Loans From Treasury Funds
(Department of Agriculture Building Fund) ¹

Alterations to Department of Agriculture Building -----	\$14,057	\$108,687	-
Relocation of Service and Operational Facility -----	253,000	-	-
Totals, Expenditures (Department of Agriculture Building Fund) ¹ -----	\$267,057	\$108,687	-

GENERAL ANALYSIS

Service and Operational Facility—In fiscal year 1969-70 it became necessary to relocate the North Sacramento service and operational facility because of highway relocation. The service and operational facility was moved to Meadowview Road at a cost of \$253,000.

¹ A working capital and revolving fund. Neither receipts nor expenditures are included in overall budget totals.

Department of Agriculture

DISTRICT AGRICULTURAL ASSOCIATIONS

GENERAL ANALYSIS

The state provides financial assistance to 50 district agriculture associations for the purpose of holding annual fairs and exhibitions of the state's resources and products. The 1-A District Agricultural Association, San Francisco, receives an annual appropriation

of \$250,000 and the 48th District Agricultural Association, Los Angeles, receives an annual appropriation of \$125,000. The other 48 associations receive annual allocations on the basis of premiums paid at their fairs and upon showing a financial need.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
District Agricultural Associations -----	\$3,058,000	\$3,164,000	\$2,813,500
General Fund -----	-130,000	-130,000	-473,000
Fair and Exposition Fund -----	3,188,000	3,294,000	3,286,500

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

As part of the administration's general effort to economize it is proposed to reappropriate 10 percent of these funds for 1971-72 to the General Fund. This \$343,000 is in addition to the \$130,000 reappropriated by the Legislature in prior years.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS

TOTALS, EXPENDITURES

Apportionment to district agricultural associations for encouragement of agricultural fairs -----	\$2,813,000	\$2,919,000	\$2,911,500
Support of 1-A District Agricultural Association -----	250,000	250,000	250,000
Support of 48th District Agricultural Association -----	125,000	125,000	125,000
Totals -----	\$3,188,000	\$3,294,000	\$3,286,500
Reduction of continuing appropriations for district agricultural associations -----	-130,000	-130,000	-473,000
Totals, Expenditures -----	\$3,058,000	\$3,164,000	\$2,813,500
General Fund -----	-130,000	-130,000	-473,000
Fair and Exposition Fund -----	3,188,000	3,294,000	3,286,500

APPROPRIATIONS

Support, Item 86 (Fair and Exposition Fund) -----	\$435,500
Support, Item 87 (Fair and Exposition Fund) -----	25,000
Support, Item 88 (Fair and Exposition Fund) -----	12,500
Other:	
Continuing appropriations (Fair and Exposition Fund) -----	2,813,500

SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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District Agricultural Associations—Capital Outlay

Total Expenditures -----	\$1,663,872	\$2,327,857	\$384,000
General Fund -----	-	-300,000	-1,850,000
Fair and Exposition Fund -----	1,663,872	2,627,857	2,234,000

GENERAL ANALYSIS

Chapter 3, Part 3, Division 3, of the Agricultural Code fixes the boundaries of 51 agricultural districts.

Each of the district agricultural associations is a state institution administered by a board of nine directors appointed by the Governor. The organization and operation of district agricultural associations are governed by Part 3, Division 3, of the Agricultural Code. District agricultural associations are subject to

the laws and administrative regulations which apply to state agencies generally and to specific rules and regulations which apply only to district agricultural associations or to district and county fairs. District fairs are conducted under allocations approved by the Director of Agriculture and budgets approved by the Department of Finance.

Department of Agriculture

DISTRICT AGRICULTURAL ASSOCIATIONS—Continued

DISTRICT FAIR CONSTRUCTION PROGRAM

Expenditures for capital outlay at district agricultural fairs are met from the continuing appropriation made by Business and Professions Code Section 19630, the allocation of which is approved by the State Public Works Board. Of the \$2,250,000 provided for by Section 19630, \$1,750,000 is reappropriated to

the General Fund for 1971-72. The remaining \$500,000 is budgeted for capital outlay at county agricultural fairs and citrus fruit fairs.

See Budget Supplement for district, county, and citrus fruit fairs for budget detail.

APPROPRIATIONS

Reappropriation to General Fund, Item 302 (<i>Fair and Exposition Fund</i>)	\$1,750,000
Engineering services, Item 303 (<i>Fair and Exposition Fund</i>)	72,437
Other:	
Continuing appropriation, Business and Professions Code, Section 19630 (<i>Fair and Exposition Fund</i>)	311,563
Prior year balance available (<i>Fair and Exposition Fund</i>)	100,000

ASSISTANCE TO COUNTY AGRICULTURAL FAIRS AND CITRUS FRUIT FAIRS

GENERAL ANALYSIS

The state provides financial assistance to 24 county and two citrus fruit fairs for the purpose of conducting annual fairs and exhibitions of the state's resources and products. The Los Angeles County Fair

receives an annual appropriation of \$250,000. Most of the other fairs receive annual allocations on the basis of premiums paid and upon showing of financial need.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Assistance to County Agricultural Fairs and Citrus Fruit Fairs	\$2,974,448	\$2,777,500	\$1,727,000
General Fund			-192,500
Fair and Exposition Fund	2,974,448	2,777,500	1,919,500

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

In keeping with the administration's general effort to economize it is proposed to reappropriate 10 percent of these funds to the General Fund in 1971-72.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
LOCAL ASSISTANCE			
TOTALS, EXPENDITURES			
Apportionments to county agricultural fairs based on premiums paid	\$1,301,100	\$1,320,000	\$1,373,500
Apportionment to Los Angeles County Fair	250,000	250,000	250,000
Apportionment to citrus fruit fairs for conducting annual fairs	180,000	180,000	180,000
Allocations to county fairs for capital outlay	1,240,156	882,500	116,000
Allocations to citrus fruit fairs for capital outlay	3,192	145,000	-
Totals	\$2,974,448	\$2,777,500	\$1,919,500
Reduction of continuing appropriations for assistance to county and citrus fruit fairs	-	-	-192,500
Totals, Expenditures	\$2,974,448	\$2,777,500	\$1,727,000
General Fund			-192,500
Fair and Exposition Fund	2,974,448	2,777,500	1,919,500

APPROPRIATIONS

Local Assistance, Item 89 (<i>Fair and Exposition Fund</i>)	\$25,000
Local Assistance, Item 90 (<i>Fair and Exposition Fund</i>)	18,000
Local Assistance, Item 91 (<i>Fair and Exposition Fund</i>)	149,500
Other:	
Assistance to County Agricultural Fairs and Citrus Fruit Fairs (<i>Fair and Exposition Fund</i>)	1,727,000

POULTRY IMPROVEMENT COMMISSION

GENERAL ANALYSIS

The Poultry Improvement Commission provided the poultry industry of California with performance and economic data on various types and strains of chickens, and developed additional information pertaining

to strain-environmental interaction. This program stimulated the production of better poultry products at lower cost. The commission expired on October 3, 1969.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Poultry Improvement Commission (General Fund) -----	0.1	-	-	\$1,986	-	-

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES

Net Salaries and Wages -----	0.1	-	-	\$1,871	-	-
Staff benefits -----	-	-	-	115	-	-
Totals, Personal Services -----	0.1	-	-	\$1,986	-	-
Totals, Expenditures (General Fund) -----				\$1,986	-	-

DEPARTMENT OF COMMERCE

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of Commerce was established to further the development and growth of the state's economy through the development of new and expanding businesses and industries which will provide additional employment for our citizens and enlarge the tax base for supporting necessary public services. To meet this objective, the department's principal efforts are devoted to attracting new industry and

aiding in the expansion of existing industries and exports of California products.

The Museum of Science and Industry, in the Department of Commerce, contributes to the department's objectives by informing the public and visitors from within and outside California of the state's industrial and scientific accomplishments and capabilities, and particularly young people in industry and science vocations.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Business, Industrial and World Trade Development -----	15.7	9	6	\$271,717	\$170,373	\$135,207
II. Public Education in Science and Industry -----	106.5	113.6	113.6	1,116,210	1,145,469	1,145,469
TOTALS, PROGRAMS -----	122.2	122.6	119.6	\$1,387,927	\$1,315,842	\$1,280,676
Reimbursements -----				-38,272	-33,300	-6,000
NET TOTALS, PROGRAMS -----				\$1,349,655	\$1,282,542	\$1,274,676
General Fund -----				908,752	1,282,542	1,274,676
Museum of Science and Industry Fund -----				440,903	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The reduction in the Business, Industrial and World Trade Development Program is due to the termination of the San Francisco World Trade Library as a state function effective July 1, 1971. All other functions of the department are continued at the current level.

DEPARTMENT OF COMMERCE—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2	PERSONAL SERVICES						
3	Net salaries and wages-----	122.2	122.6	119.6	\$1,084,241	\$1,020,704	\$985,848
4	Staff benefits -----	-	-	-	104,491	102,070	101,760
5	Totals, Personal Services -----	122.2	122.6	119.6	\$1,188,732	\$1,122,774	\$1,087,608
6	OPERATING EXPENSES AND EQUIPMENT						
7	General expense -----				\$53,970	\$62,168	\$62,168
8	Travel -----				25,158	16,337	16,337
9	Facilities expense -----				113,914	114,563	114,563
10	Contractual services -----				4,700	-	-
11	Equipment -----				1,453	-	-
12	Totals, Operating Expenses and Equipment-----				\$199,195	\$193,068	\$193,068
13	Totals, Expenditures -----				\$1,387,927	\$1,315,842	\$1,280,676
14	Reimbursements -----				-38,272	-33,300	-6,000
15	Net Expenditures -----				\$1,349,655	\$1,282,542	\$1,274,676
16	General Fund -----				908,752	1,282,542	1,274,676
17	Museum of Science and Industry Fund -----				440,903	-	-
18	APPROPRIATION						
19	Support, Item 92 (General Fund) -----						\$1,274,676
20							
21							
22	REVENUES						
23					ACTUAL	ESTIMATED	PROPOSED
24					1969-70	1970-71	1971-72
25							
26	General Fund -----				\$624	\$464,720	\$489,720
27	Museum of Science and Industry Fund -----				495,642	-	-

DEPARTMENT OF CONSUMER AFFAIRS

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of Consumer Affairs is organized to provide services for the protection of the public health, safety, and welfare, and to promote and protect the interests of the people of the state as consumers. The Department is charged with advancing the interests of consumers through (a) educating and informing the consumer to insure rational consumers

choice in the marketplace; (b) protecting the consumer from the sale of goods and services through the use of deceptive methods, acts, or practices, which are inimical to the general welfare of consumers; (c) fostering competition; and (d) promoting effective representation of consumers' interests in all branches and levels of government.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Healing Arts-----	103.8	131.7	133.8	\$3,332,699	\$3,974,473	\$4,159,229
II. Fiduciary-----	15.2	15	15.2	437,810	446,382	497,212
III. Design and Construction-----	224.6	222.5	223.7	3,971,339	4,231,867	4,287,044
IV. Business and Sanitation-----	77.8	84.2	76	2,122,833	2,314,130	2,064,537
V. Consumer Services-----	27.8	35	35.9	862,783	1,018,265	1,080,086
VI. Administration—distributed to other programs-----	184.1	189.9	193.4	(2,927,464)	(3,085,219)	(3,218,592)
Administration—undistributed--	2.8	3.1	3.1	740,806	796,292	870,443
TOTALS, PROGRAMS-----	636.1	681.4	681.1	\$11,468,270	\$12,781,609	\$12,958,551
Reimbursements-----				-188,624	-220,481	-235,635
NET TOTALS, PROGRAMS-----				\$11,279,646	\$12,561,128	\$12,722,916
General Fund-----				208,670	182,151	165,400
Special funds-----				11,070,976	12,378,977	12,557,516

DEPARTMENT OF CONSUMER AFFAIRS—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Governor's Reorganization Plans No. 1 and No. 2, both of which substantially affect this department, received legislative approval at the 1970 session of the Legislature. Plan No. 1 created a new Department of Health and those healing arts agencies presently in this department will be transferred to it effective July 1, 1972. Plan No. 2 provides for a major change in the basic concept and mission of the department by reorganizing it into the Department of Consumer Affairs. The plan makes various changes regarding the appointment of public members in lieu of a licensed member on the Boards of Accountancy; Architectural Examiners; Landscape Architects; Barber Examiners; Professional Engineers, Collection Agency; Contractors, Cosmetology, Funeral Directors and Embalmers, Geology; Structural Pest Control; Cemetery; and the Bureau of Furniture and Bedding Inspection. Plan No. 2 further (a) abolishes the Collection Agency Licensing Bureau and the Bureau of Private Investigators and Adjustors and transfers their functions, powers, duties, and responsibilities to the Bureau of Collection and Investigative Services, which is established under the supervision and control of the director; (b) changes the name of the Bureau of Electronic Repair Dealer Registration to the Bureau of Repair Services; (c) transfers authority to employ investigative, inspectional, and auditing personnel from the various agencies in the department to the department; and (d) transfers determination of format of license documents to the director.

During the 1970 legislative session 72 Assembly and 43 Senate bills affecting the department were enacted into law. The most important law changes had the following effect:

Departmental

(a) Chapter 1394, Statutes of 1970, expanded the authority of the department with respect to Consumer Affairs and set forth the intent of the Legislature as to the mission of the Department of Consumer Affairs; (b) Chapter 383, Statutes of 1970, prohibited state and local agencies from conducting meetings to which admittance is restricted on basis of race, creed, color, national origin, ancestry, or sex; (c) Chapter 475, Statutes of 1970, eliminated statutory mandate to published directories by the several agencies of the department.

Healing Arts

Legislative enactments in the Healing Arts program:

(a) Authorizes disciplinary action against licensees of Dental, Medical (including Examining Committees) Optometry, and Osteopathic boards who provide unnecessary or excessive services to patients, Chapter 1318/70; (b) established Hearing Aid Dispensers Examining Committee under the Board of Medical Examiners, Chapter 1514/70; (c) established Board of Examiners of Nursing Home Administrators, Chapter

1137; (d) changed name of Social Worker and Marriage Counselor Board to Board of Behavioral Science Examiners and made various changes in laws it administers, Chapter 1760/70; (e) established licensing of marriage, family, and child counselors on a mandatory basis, Chapter 1310/70; (f) established program for licensing of educational psychologists by the Board of Behavioral Science Examiners, Chapter 1035/70; (g) established program for certification of physicians' assistants under the Board of Medical Examiners, Chapter 1327/70; (h) establishes reporting program by insurers of malpractice judgments rendered against healing arts licensees whereby insurer must report to board concerned any final judgment on malpractice settlement over \$3,000 rendered against any of boards licensees on an annual basis, Chapter 1111/70; (i) authorizes certain hospitals to conduct pilot programs utilizing mobile intensive care paramedics, Chapter 421/70; (j) augmented the rule-making and disciplinary authority of Chiropractic Board and such augmentation was approved by the electors at the November 3, 1970 general election, Chapter 643/70; (k) extended dentists' immunity from civil liability in connection with emergency care, Chapter 454/70; (l) established requirements of marking restricted dangerous drugs to identify manufacturer, Chapter 1486/70; (m) established requirement (except when prescriber orders otherwise) that quantity of rugs sold on prescription be stated on label of drugs container, Chapter 1554/70; (n) established comprehensive documentary control over transport and handling of restricted drugs whereby Board of Pharmacy would have responsibility for receipt and management of all such documents, Chapter 1596/70; (o) eliminated citizenship requirement for vocational nurse and pharmacist licenses, Chapter 473/70; (p) established scholarship provisions in the Board of Nursing Education and Nurse Registration and in the Board of Vocational Nurse and Psychiatric Technician Examiners and appropriated \$35,000 from the Board of Nursing Education and Nurse Registration Fund and \$65,000 from the Vocational Nurse Account in the Vocational Nurse and Psychiatric Technicians Fund for such purpose, Chapter 995/70; and (q) appropriated \$200,000 from the Psychiatric Technicians Account in the Vocational Nurse and Psychiatric Technicians Fund for the purpose of paying for psychiatric technician training programs, Chapter 1324/70.

Fiduciary

The one legislative change in fiduciary amended accountancy act to permit public accountants, as well as certified public accountants to perform audits of funds of certain public agencies, Chapter 25/70.

Design and Construction

In design and construction 1970 law changes expanded applicability of contractors licensing law to cover mobilehome installations, Chapter 340/70.

DEPARTMENT OF CONSUMER AFFAIRS—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

Business and Sanitation

Recent Legislation in This Program:

(a) Amended cosmetology act to reduce amount of further training required of applicants who twice fail licensing exam, Chapter 225/70; (b) liberalized conditions under which apprentice embalmers may receive credit toward completion of required apprenticeship program Chapter 960/70.

Board of Dry Cleaners

The Health and Safety Code provides that the State Fire Marshal shall enforce provisions of that code and any rules and regulations he may prescribe having to do with construction, equipment and operation of clothes cleaning establishments. In the interest of economy and to eliminate the duplication of regulatory activity that has been imposed on the clothes cleaning industry in the past, abolishment of

the Dry Cleaners Board is proposed effective July 1, 1971.

Consumer Services

1970 Legislation Affecting Consumer Services:

(a) Requires that all mattresses sold or offered to be sold in the State of California be made of flame retardant material one year after the adoption of regulations by the Bureau of Furniture and Bedding Inspection but not later than January 1, 1973, Chapter 844/70; (b) imposed designated conditions on advertising of article through use of illustration of another article, Chapter 820/70; (c) limited the effective period of certain guarantees of upholstered furniture and bedding, Chapter 1427/70; (d) transferred licensing of nurses registries and created a Division of Consumer Services in the Department of Consumer Affairs.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	636.1	681.4	681.1	\$6,220,635	\$6,926,054	\$7,111,893
Staff benefits -----	—	—	—	645,541	742,266	756,466
Totals, Personal Services -----	636.1	681.4	681.1	\$6,866,176	\$7,668,320	\$7,868,359
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$5,884,338	\$6,275,927	\$6,246,917
Travel -----				541,760	608,919	644,513
Facilities expense -----				1,576,581	1,675,911	1,835,060
Equipment -----				129,042	122,849	137,737
Totals, Operating Expenses and Equipment -----				\$8,131,721	\$8,683,606	\$8,864,227
TOTALS, EXPENDITURES -----				\$14,997,897	\$16,351,926	\$16,732,586
Reimbursements -----				-188,624	-220,481	-235,635
Net Expenditures -----				\$14,809,273	\$16,131,445	\$16,496,951
SPECIAL ITEMS OF EXPENSE -----				—	\$175,000	\$175,000
TOTALS, EXPENDITURES -----				\$14,809,273	\$16,306,445	\$16,671,951
Less departmental administration -----				-3,529,627	-3,745,317	-3,949,035
NET TOTALS, EXPENDITURES -----				\$11,279,646	\$12,561,128	\$12,722,916
General Fund -----				208,670	182,151	165,400
Special funds -----				11,070,976	12,378,977	12,557,516

APPROPRIATIONS

Support, Item 93 (Accountancy Fund) -----	\$412,419
Support, Item 94 (California State Board of Architectural Examiners' Fund) -----	148,849
Support, Item 95, State Athletic Commission (General Fund) -----	\$152,800
Support, Item 96 (State Board of Barber Examiners' Fund) -----	491,001
Support, Item 97 (Behavioral Science Examiners' Fund) -----	140,885
Support, Item 98 (Cemetery Fund) -----	83,793
Support, Item 99 (State Board of Chiropractic Examiners' Fund) -----	111,712
Support, Item 100 (Collection Agency Fund) -----	210,922
Support, Item 101 (Private Investigator and Adjuster Fund) -----	114,472
Support, Item 102, Division of Consumer Services (General Fund) -----	10,000
Support, Item 103 (Contractors' License Fund) -----	2,787,557
Support, Item 104 (Board of Cosmetology Contingent Fund) -----	885,993
Support, Item 105 (State Dentistry Fund) -----	301,581
Support, Item 106 (Dry Cleaners' Fund) -----	40,000
Support, Item 107 (Bureau of Employment Agencies Fund) -----	256,903

DEPARTMENT OF CONSUMER AFFAIRS—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
1	APPROPRIATIONS—Continued				
2					
3					
4	Support, Item 108 (Funeral Directors and Embalmers' Fund) -----			112,000	
5	Support, Item 109 (Bureau of Furniture and Bedding Inspection Fund) -----			441,617	
6	Support, Item 110 (Geology Fund) -----			55,640	
7	Support, Item 111, Board of Guide Dogs for the Blind (General Fund) -----			2,600	
8	Support, Item 112 (State Board of Landscape Architects' Fund) -----			39,519	
9	Support, Item 113 (Medical Examiners' Contingent Fund) -----			1,255,090	
10	Support, Item 114 (Physical Therapy Fund) -----			35,129	
11	Support, Item 115 (Hearing Aid Dispensers Fund) -----			28,330	
12	Support, Item 116 (Nursing Home Administrators' State License Examining Board Fund) -----			78,489	
13	Support, Item 117 (Board of Nursing Education and Nurse Registration Fund) -----			749,053	
14	Support, Item 118 (Nurses' Registry Fund) -----			13,764	
15	Support, Item 119 (State Optometry Fund) -----			84,205	
16	Support, Item 120 (Contingent Fund of the Board of Osteopathic Examiners) -----			13,788	
17	Support, Item 121 (Pharmacy Board Contingent Fund) -----			760,819	
18	Support, Item 122 (Professional Engineers' Fund) -----			719,047	
19	Support, Item 123 (Repair Services Fund) -----			324,411	
20	Support, Item 124 (Certified Shorthand Reporters' Fund) -----			43,012	
21	Support, Item 125 (Structural Pest Control Fund) -----			536,432	
22	Support, Item 126 (Veterinary Examiners' Contingent Fund) -----			80,724	
23	Support, Item 127 (Vocational Nurse and Psychiatric Technician Examiners Fund) (VN) -----			397,484	
24	Support, Item 128 (Vocational Nurse and Psychiatric Technician Examiners Fund) (P.T.) -----			72,433	
25	Support, continuing appropriation (Professional and Vocational Standards Fund) -----			730,443	
26	Administration charged to other special funds (Professional and Vocational Standards Fund) --			(3,218,592)	

REVENUES

	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Totals, All special funds -----	\$14,444,343	\$20,923,257	\$13,569,740
Totals, General Fund -----	\$305,350	\$260,726	\$260,726

Department of Consumer Affairs—Capital Outlay

SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Minor projects (expenditures) -----	\$39,308	-	-
Totals, Expenditures (Professional and Vocational Standards Fund) -----	\$39,308	-	-

GENERAL ANALYSIS

The purpose of this department is to protect the public health, welfare, and safety by licensing only persons and firms of demonstrated knowledge and abilities to perform services for the public, to prevent unauthorized practices upon the public, and to discipline those licensees who fail in their public trust.

There are in excess of 35 boards, bureaus, and commissions of this department which are responsible for regulating in excess of 700,000 persons practicing more than 50 professions and vocations in the State of California.

Departmental administration coordinates and supervises the administrative and financial affairs of its member boards, bureaus, and commissions.

Section 403 of the Business and Professions Code provides that the costs of building operations, maintenance, repairs, and other reasonable and necessary expenses shall be paid from rentals and that the building will be subject to the supervision of the Department of Professional and Vocational Standards in accordance with rules and regulations established by the department and the Department of General Services.

The department operates two state office buildings in Sacramento. These buildings house a majority of the member boards, bureaus, and commissions and also the State Board of Equalization.

BOARD OF CONTROL

Headquarters Office at Sacramento

GENERAL ANALYSIS

The board staff receives, processes, obtains legal investigations and recommendations, and presents to the board for its action all claims for money or damages against the state. Tort liability claims and claims of needy victims of crimes of violence, allowed by the board, are paid from separately appropriated funds.

Other types of approved claims are referred to the Legislature for payment from various funds under the annual omnibus claim's appropriation.

The board staff also administers, coordinates, and promotes the statewide merit award suggestion program.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Continuing program costs (<i>General Fund</i>) -----	10	10.3	10.3	\$105,785	\$121,085	\$121,085
RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Authorized positions -----	10	10.3	10.3	\$81,046	\$92,889	\$95,185
Staff benefits -----	-	-	-	8,651	10,218	10,470
Totals, Personal Services -----	10	10.3	10.3	\$89,697	\$103,107	\$105,655
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$21,902	\$22,326	\$20,930
Travel -----				709	900	900
Facilities expense -----				3,705	5,040	5,600
Equipment -----				560	500	-
Totals, Operating Expenses and Equipment -----				\$26,876	\$28,766	\$27,430
Reimbursements -----				-10,788	-10,788	-12,000
Totals, Expenditures (<i>General Fund</i>) -----				\$105,785	\$121,085	\$121,085
APPROPRIATION						
Support, Item 129 (<i>General Fund</i>) -----						\$121,085

STATE EXPOSITION AND FAIR EXECUTIVE COMMITTEE

Headquarters Office at Sacramento

GENERAL ANALYSIS

The California State Exposition and Fair provides a medium for the exhibiting of the state's industrial and agricultural products as well as those entering through its ports of entry. In carrying out this objective it performs an educational and recreational

function which contributes to the state's cultural and social heritage. Through competitive or noncompetitive exhibits people of all ages attain recognition and inspiration, and help to inform fair patrons about California's achievements.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Exposition and fair -----	106.4	123.8	123.4	\$3,512,994	\$3,743,584	\$3,706,896
Reimbursements -----				-1,980,839	-2,071,756	-2,153,037
NET TOTALS, PROGRAM -----				\$1,532,155	\$1,671,828	\$1,553,859
General Fund -----				1,307,211	1,291,651	1,288,859
State Fair Fund -----				224,944	380,177	265,000

STATE EXPOSITION AND FAIR EXECUTIVE COMMITTEE—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The foundation programs of the exposition and fair are the exhibits of the counties of the state, the junior programs such as 4-H and FFA shows, the livestock show, exhibits of art and industrial products, a floricultural show, and a 14-day horseracing meet for thoroughbred and quarterhorses with parimutuel wagering.

Over the past two years, heavy emphasis has been placed on rental of buildings and facilities during the periods between fairs. This has increased the workload during the interim periods but has been more than offset by additional revenues.

This budget reflects a continued effort to reduce the general fund support for the State Fair in a continuing effort to make this program self-supporting.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	106.4	123.8	123.4	\$910,119	\$1,078,492	\$1,091,112
Staff benefits -----	—	—	—	85,741	116,603	133,809
Totals, Personal Services -----	106.4	123.8	123.4	\$995,860	\$1,195,095	\$1,224,921
OPERATING EXPENSES AND EQUIPMENT						
General expenses -----				\$334,651	\$416,820	\$360,221
Travel -----				19,277	19,826	16,550
Facilities expense -----				541,455	456,773	413,700
Contractual services -----				64,967	144,206	121,954
Race purses -----				376,896	376,314	435,000
Equipment -----				12,888	4,550	4,550
Totals, Operating Expenses and Equipment -----				\$1,350,134	\$1,418,489	\$1,351,975
Totals, Expenditures -----				\$2,345,994	\$2,613,584	\$2,576,896
Reimbursements:						
Miscellaneous -----				-67,824	-26,256	-15,375
Amount payable from State Fair Fund as revenue from operations -----				-1,913,015	-2,045,500	-2,137,662
Net Expenditures -----				\$365,155	\$541,828	\$423,859
SPECIAL ITEMS OF EXPENSE						
Rent—bond interest and redemption -----				\$1,130,000	\$1,130,000	\$1,130,000
Expenses for defense of law suits -----				37,000	—	—
Totals, Special Items of Expense -----				\$1,167,000	\$1,130,000	\$1,130,000
Totals, Expenditures -----				\$1,532,155	\$1,671,828	\$1,553,859
General Fund -----				1,307,211	1,291,651	1,288,859
State Fair Fund -----				224,944	380,177	265,000
APPROPRIATIONS						
Support, Item 130 (General Fund) -----						\$1,288,859
Support, Item 132 (State Fair Fund) -----						265,000

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
State Fair Fund	(\$1,913,015)	(\$2,045,500)	(\$2,137,662)

SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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State Exposition and Fair Executive Committee—Capital Outlay

Minor Projects (General Fund)	\$12,500	\$12,500	-
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GENERAL ANALYSIS

Expenditures in past and current years are the second and third installments on a contract for installation of totalisator wiring which has been entered into

by the California Exposition and Fair Corporation and assumed by the executive committee under Section 3576 of the Agricultural Code.

STATE FIRE MARSHAL

Headquarters Office at Sacramento

GENERAL ANALYSIS

The State Fire Marshal prepares and adopts minimum statewide fire and panic safety standards for all institutional, educational, public assembly occupancies, and all state-owned buildings, and for the use and control of materials having a high degree of fire hazard, including explosives, fireworks, and flammable

liquids. Enforcement of these standards is correlated directly with local fire authorities under a plan of delegated responsibility, thereby eliminating duplicate and overlapping authority and preserving local autonomy.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Public Fire Safety -----	64.5	62.5	60.5	\$1,183,987	\$1,204,538	\$1,158,223
II. Administration—distributed to other program -----	13.1	12	12	(157,228)	(178,685)	(184,146)
TOTALS, PROGRAMS -----	77.6	74.5	72.5	\$1,183,987	\$1,204,538	\$1,158,223
Reimbursements -----				-158,695	-169,900	-140,000
NET TOTALS -----				\$1,025,292	\$1,034,638	\$1,018,223
General Fund -----				903,612	911,518	895,103
Dry Cleaners Fund -----				121,680	123,120	123,120

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Flammable Liquids

The registration of over 10,000 cargo tanks used for the transportation of flammable liquids is a biennial function. Workload in this activity is relatively minor

during the off year but necessitates an increase in clerical staff during the registration year. An increase of \$5,764 in the budget year will allow the department the means to issue the required registrations and certificates of compliance.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	77.6	74.5	72.5	\$895,191	\$928,742	\$885,036
Staff benefits -----	-	-	-	91,568	97,049	95,244
Totals, Personal Services -----	77.6	74.5	72.5	\$986,759	\$1,025,791	\$980,280
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$58,752	\$55,547	\$54,743
Travel -----				88,020	68,200	68,200
Facilities expense -----				48,528	54,000	54,000
Equipment -----				1,928	1,000	1,000
Totals, Operating Expenses and Equipment -----				\$197,228	\$178,747	\$177,943
Totals, Expenditures -----				\$1,183,987	\$1,204,538	\$1,158,223
Reimbursements -----				-158,695	-169,900	-140,000
Totals, Expenditures -----				\$1,025,292	\$1,034,638	\$1,018,223
General Fund -----				903,612	911,518	895,103
Dry Cleaners Fund -----				121,680	123,120	123,120

APPROPRIATIONS

Support. Item 133 (General Fund) -----	\$895,103
Support. Item 134 (Dry Cleaners Fund) -----	123,120

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----	\$337,525	\$94,000	\$269,000

FRANCHISE TAX BOARD

Headquarters Office at Sacramento

GENERAL ANALYSIS

The objective of the board is to administer the Personal Income Tax Law and the Bank and Corporation Tax Law in such a manner as to assure equity for the taxpayer and in so doing to maximize the state's revenue potential within the framework of these laws. The concepts of self-assessment and voluntary payment by taxpayers are fundamental to the successful administration of the board's programs. All activities

are designed to either directly or indirectly promote these concepts. Taxes produced by the board's programs provide over 40 percent of the revenue to support the state's General Fund programs. A program of senior citizens property tax assistance enables partial repayment for real property taxes paid by qualified senior citizens.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Personal Income Tax -----	715.8	736	738	\$12,769,621	\$13,837,862	\$14,492,000
II. Bank and Corporation Tax -----	294.3	298	342	5,357,806	5,815,000	6,533,000
III. Senior Citizens Property Tax Assistance -----	40.8	40	40	487,070	518,000	538,000
IV. Administration and Support—distributed to other programs -----	540.5	552	552	(6,526,663)	(7,150,000)	(7,544,000)
TOTALS, PROGRAMS -----	1,591.4	1,626	1,672	\$18,614,497	\$20,170,862	\$21,563,000
Reimbursements -----				-15,316	-7,228	-3,000
NET TOTALS, PROGRAMS (General Fund) -----				\$18,599,181	\$20,163,634	\$21,560,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Taxpayer Self-Assessment

Numbers of taxable returns are maintaining a consistent relationship with the tremendous growth in California's population at 8 percent per year. Returns from the large income taxpayers, which require a prepayment estimate and special handling, are growing at 22 percent per year. To process the increased number of returns, to deposit the remittances, and to issue verified refunds in a timely manner, requires direct and supporting staff of 50 man-years at a cost of \$300,000 in 1971-72.

Audit Activities

Maintaining a balanced audit program is a necessity to protect the tax base and, in addition, it provides substantial General Fund revenue. An increase

of 50 man-years at a cost of \$380,000 is proposed for 1971-72. Eleven of these positions will be employed in our New York and Chicago offices to work exclusively on audits of larger nonresident corporations which would otherwise avoid California franchise taxes. The increased revenue estimated to be generated by this increase in staff is \$12,000,000.

Compliance

Collection cases are growing at a rate substantially exceeding the growth rate of taxable returns. The staffing request of 16 man-years for \$100,000 is calculated to level off this steep rise and stabilize the backlog of uncollected accounts. An estimated \$5,000,000 in General Fund revenue will be produced by this increased staff.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages-----	1,591.4	1,626	1,672	\$13,117,361	\$14,190,038	\$14,752,835
Staff benefits -----	-	-	-	1,387,996	1,524,450	1,721,741
Totals, Personal Services -----	1,591.4	1,626	1,672	\$14,505,357	\$15,714,488	\$16,474,576
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$2,922,387	\$3,250,572	\$3,727,829
Travel -----				221,653	185,700	287,015
Facilities expense -----				847,836	911,995	954,453
Equipment -----				117,264	108,107	119,127
Totals, Operating Expenses and Equipment-----				\$4,109,140	\$4,456,374	\$5,088,424
Totals, Expenditures -----				\$18,614,497	\$20,170,862	\$21,563,000
Reimbursements -----				-15,316	-7,228	-3,000
Totals, Expenditures (General Fund)-----				\$18,599,181	\$20,163,634	\$21,560,000
APPROPRIATION						
Support, Item 135 (General Fund) -----						\$21,560,000

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----	\$51,455	\$15,000	\$15,000

DEPARTMENT OF GENERAL SERVICES

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of General Services provides state government the means for central coordination of business management functions and services that can best be performed on a centralized basis.

Centralized facilities and services necessary for the operation of state government which are provided include the planning, acquisition, construction, maintenance and protection of state buildings and property; data processing; transportation; purchasing; printing; communications; architectural services; admin-

istrative hearings; and fiscal and accounting services.

The centralization of the state's business management functions and services creates economies and efficiencies by eliminating duplication and overlapping costs by the application of uniform standards and policies in administrative matters common throughout state government; large-scale purchasing of materials and supplies; and providing highly qualified specialists and facilities that individual agencies cannot economically justify.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Administration -----	192.8	128.6	128.6	\$2,090,288	\$2,023,190	\$1,846,206
II. Property Management -----	700.2	592.1	417.2	12,556,768	11,350,293	8,257,410
III. Maintenance and Security -----	1,334.6	1,383.4	1,387.4	13,900,353	16,023,288	16,183,184
IV. Operational Support -----	1,514	1,692.9	1,707.9	43,414,508	48,569,530	51,487,351
V. Management Support -----	149.6	136.9	126.5	4,142,396	4,291,055	4,001,229
TOTALS, PROGRAMS -----	3,891.2	3,933.9	3,767.6	\$76,104,313	\$82,257,356	\$81,775,380
Reimbursements -----				-18,920,404	-20,555,450	-20,733,490
NET TOTALS, PROGRAMS -----				\$57,183,909	\$61,701,906	\$61,041,890
General Fund -----				4,895,645	5,649,376	5,083,553
Service Revolving Fund -----				41,870,092	46,709,575	50,001,996
Architecture Revolving Fund -----				7,999,978	6,948,851	4,000,000
Public Building Fund -----				1,490,347	1,456,778	960,000
State School Building Aid Fund -----				927,847	937,326	996,341

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

I. Administration

The administration activities were reorganized and a comptroller's office created, consolidating the accounting services, budget function, contract management activities and contracted fiscal services.

In-house support services were transferred to the Office Services Division as the administrative staff services unit was eliminated and functions reassigned.

II. Property Management

A declining workload in most property management functions has resulted in the elimination of several positions from this program. Nine positions in the Property Acquisition Division and 221.8 positions in the Office of Architecture and Construction will be abolished in the budget year.

This is primarily a result of recent fiscal decisions regarding the statewide capital outlay program which has serious effect on the projected workload in the Office of Architecture and Construction.

It is planned to close the plans checking functions in Los Angeles and San Francisco and combine those functions with the Sacramento headquarters offices.

III. Maintenance and Security

During the current year the consolidation of buildings and grounds maintenance functions continued with other departments transferring positions to the Buildings and Grounds Division. The Department of Motor Vehicles transferred 8.75 janitor positions to maintain janitorial services at various Department of

Motor Vehicles' buildings. The Department of Public Works, Division of Highways, transferred 16 building maintenance positions at Los Angeles and four building maintenance positions at San Diego.

The State Police Division has added 14 positions in the current and budget years to provide contractual security services.

IV. Operational Support

During the 1970-71 fiscal year, the radio engineering and maintenance service functions of the Division of Highways came under the operational supervision and control of the Communications Division, performing engineering and maintenance communication services for all state agencies. After a two-year trial consolidation, an evaluation of comparable costs and operating efficiencies will be made to determine feasibility of permanent transfer of highways personnel to Communications Division. Due to this consolidation of 41 radio technicians and five engineers, positions needed to handle increased workload created by additional radio units acquired by various state agencies have not been requested. The increase in workload is to be offset by increased efficiency under the consolidation.

The telephone, teletype, and data activities previously supported by a General Fund appropriation have been consolidated with telephone services and will be funded under the Service Revolving Fund.

A data processing services office has recently been formed from a merger of the data processing unit from the management assistance division and the data

DEPARTMENT OF GENERAL SERVICES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

processing service center. The department recently accepted the responsibility to develop and implement a data processing "shared computer facility" concept by the transfer of the Department of Education's EDP facility. The department is currently assessing the impact of this "shared computer facility" on their data processing activities, as well as the impact of the new photocomposition system and the possible breakthrough in data conversion techniques by use of optical scanning equipment.

The office services division has been reorganized and combined under its jurisdiction the supportive services and reproduction functions of the former consolidated business services O.B. 8 and 9 organization, as well as supportive services functions of the former administrative staff services office. The Department of Social Welfare's reproduction activities are also consolidated with office services in the budget year. All position increases in this activity are associated with the transfer of functions and consolidations. It is anticipated that better utilization of personnel and better operating efficiency will permit handling of an anticipated

gradually increasing work load with no increase in personnel.

The Office of State Printing includes adjustments to fulfill textbook production needs for the Department of Education. In addition, six positions are being transferred from state printing's photocomposition unit to the data processing services office.

The Office of Procurement is consolidating the Department of Social Welfare's supply and warehousing functions into central stores effective July 1, 1971, and accounts for the additional positions being requested for the central stores activity. Due to a projected 1971-72 decrease or leveling in the acquisition of materials, equipment, and supplies for state agencies, eight positions will be abolished in the purchasing activity.

V. Management Support

Due to a reorganization and consolidation of functions into the management assistance activity and a realignment of assignments and operating procedures in the legal office, several positions have been eliminated by adjustments in the utilization of existing staff.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	3,891.2	3,933.9	3,767.6	\$36,016,262	\$37,582,869	\$35,374,446
Staff benefits -----	-	-	-	4,212,848	4,739,512	4,648,516
Totals, Personal Services -----	3,891.2	3,933.9	3,767.6	\$40,229,110	\$42,322,381	\$40,022,962
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$13,096,486	\$13,784,782	\$14,865,571
Travel -----				694,797	744,460	638,605
Facilities expense -----				3,915,293	4,488,330	4,308,738
Contractual services -----				1,432,214	3,346,180	2,531,100
Material purchases -----				13,551,673	14,115,499	14,838,000
Insurance premium -----				1,337,564	1,375,000	1,510,000
Equipment -----				1,847,176	2,080,724	2,685,404
Totals, Operating Expenses and Equipment -----				\$35,875,203	\$39,934,975	\$41,377,418
MINOR CAPITAL OUTLAY -----				-	-	\$375,000
TOTALS, EXPENDITURES -----				\$76,104,313	\$82,257,356	\$81,775,380
Reimbursements -----				-18,920,404	-20,555,450	-20,733,490
TOTALS, EXPENDITURES, STATE OPERATIONS -----				\$57,183,909	\$61,701,906	\$61,041,890
General Fund -----				4,895,645	5,649,376	5,083,553
Service Revolving Fund -----				41,870,092	46,709,575	50,001,996
Architecture Revolving Fund -----				7,999,978	6,948,851	4,000,000
Public Building Fund -----				1,490,347	1,456,778	960,000
State School Building Aid Fund -----				927,847	937,326	996,341
APPROPRIATIONS						
State operations, Item 136 (General Fund) -----						\$5,083,553
State operations, Item 137 (State School Building Aid Fund) -----						996,341
State operations, Item 140 (Service Revolving Fund—Printing) -----						21,371,678
State operations, Item 141 (Service Revolving Fund) -----						28,630,318
State operations, Item 142 (Architecture Revolving Fund) -----						4,000,000
State operations, Item 143 (Public Building Fund) -----						960,000

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund	\$3,393,918	\$3,381,692	\$2,974,581

DEPARTMENT OF GENERAL SERVICES—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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Department of General Services—Capital Outlay

Major projects -----	\$1,263,602	\$459,518	-
Minor projects -----	190,396	17,356	-*
Totals, Expenditures (General Fund) -----	\$1,453,998	\$476,874	-

GENERAL ANALYSIS

The State Building Construction Act of 1955 provides that the State Public Works Board may issue revenue bonds or certificates to provide funds to acquire or construct state public buildings when authorized by a separate act or appropriation of the Legislature. By definition "public building" includes automobile parking lots. The facilities so acquired or constructed are to be leased by state agencies at a rental rate that will retire the bonds or certificates and provide for the payment of interest. In addition the rental rates shall cover the cost of operation and maintenance of the public buildings authorized.

The State Public Works Board has entered into an agreement with the Board of Administration of the State Employees' Retirement System whereby that agency will purchase certificates to finance the construction of office buildings and the Los Angeles garage authorized by Chapter 1687, Statutes of 1955, as

amended by Chapter 1647, Statutes of 1957, and by various subsequent budget act items.

In 1959 the Legislature created the Capitol Building and Planning Commission to establish a master plan for the orderly development of future state buildings and other facilities in the Capitol area of Sacramento. A formal plan was adopted in 1961 and initial funds were made available for acquisition. Since that time, there have been a number of appropriations from various fund sources to acquire land to meet requirements of the plan. A total of \$25,588,081 was appropriated, all of which has been spent or encumbered except for \$1,100,001 remaining.

1971-72 Program

No major projects are proposed in the program for the budget year.

CAPITOL BUILDING AND PLANNING COMMISSION

Office at Sacramento

GENERAL ANALYSIS

The commission was created in 1959 to develop the Capitol Mall Master Plan.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Capitol Building and Planning Commission -----	-	-	-	\$573	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The Governor's Reorganization Plan No. 1 of 1969 eliminated the commission effective November 10, 1969, and the commission ceased to meet formally in the 1969-70 fiscal year.

RECAPITULATION BY OBJECT		ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS				
OPERATING EXPENSES AND EQUIPMENT				
General expense -----		\$573	-	-
Totals, Expenditures (General Fund) -----		\$573	-	-
REVENUES		ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----		\$1	-	-

* Minor capital outlay is transferred to the state operations budget beginning in 1971-72.

STATE PERSONNEL BOARD

Headquarters Office at Sacramento

GENERAL ANALYSIS

The State Personnel Board is responsible for serving the personnel needs of state agencies and for providing leadership for these agencies in improvement of personnel practices and procedures. It is imperative that state agencies efficiently and effectively manage their programs under the authority of Article XXIV of the State Constitution and the merit system.

The State Personnel Board, within the framework of a merit system, conducts the majority of the state's recruitment efforts, develops examining techniques to select and rank qualified applicants, sets compensation

rates and standards within funds authorized by the Legislature, provides departmental consultation on employee development and conducts training for management employees, and provides leadership in personnel management practices and procedures. The board also provides, under contract and on a fully reimbursable basis, technical personnel services to political subdivisions on request and administers a federally required merit system for local governmental employees.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. State Personnel Services -----	389.9	381.8	345.9	\$5,401,479	\$5,445,538	\$5,272,500
II. Contract Personnel Services ----	68	100.3	102.8	810,431	1,291,727	1,359,941
III. Administration distributed to other programs -----	45.7	50	45.5	(1,096,308)	(1,071,741)	(1,116,392)
Undistributed:						
(Thailand civil service—reimbursed) -----				85,679	140,140	-
(Career Opportunities Development Program—reimbursed) ----				-	723,688	587,386
(Service to other state departments—reimbursed) -----				-	17,109	-
TOTALS, PROGRAMS -----	503.6	532.1	494.2	\$6,297,589	\$7,618,202	\$7,219,827
Reimbursements -----				-1,081,013	-2,516,254	-2,280,327
NET TOTALS, PROGRAM (General Fund) -----				\$5,216,576	\$5,101,948	\$4,939,500

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

As a result of program modifications and reductions occurring in state government, specific elements within this budget have been adjusted to present a co-ordinated personnel program to meet the state's needs.

Specific Changes

In the current year, 2 positions are transferred from the Department of Social Welfare to complete the transfer of the merit system function from the Department of Social Welfare as provided by Chapter 1283, Statutes of 1969.

There were 14.7 positions established in the current year of which 13.2 are fully reimbursed through contractual agreements. For example, 7 temporary help man-years represent a federal grant to fund the career opportunities program and 3.5 temporary help man-years provides technical personnel assistance on contract to the government of Thailand. One-half position establishes personnel services on contract to the California Disaster office, one position is on loan

to the Public Employees' Retirement System fully reimbursed by that agency, and 1.2 positions are assigned to the Governor's program to reduce occupational injuries and funded by reimbursement from other state departments.

Additional positions established in the current year were 1.5 positions for more efficient and coordinated hearing services

One position and related funding are transferred to the Office of Management Services as part of the centralization of state EDP services.

Program reductions involve deletion of 35.7 positions; 34.7 are in the recruitment and selection elements reflecting program modifications and the reduction in state program levels. Employee development is reduced by one position.

There are 12.5 positions proposed new in the budget year to continue in 1971-72 those services established in the current year. Of these positions, 11 are fully reimbursed through contractual agreements.

STATE PERSONNEL BOARD—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)				
1	STATE OPERATIONS							
2								
3	PERSONAL SERVICES							
4	Net salaries and wages -----	503.6	532.1	494.2	\$4,522,599	\$5,131,915	\$4,885,672	
5	Staff benefits -----	-	-	-	487,995	631,380	609,651	
6								
7	Totals, Personal Services -----	503.6	532.1	494.2	\$5,010,594	\$5,763,295	\$5,495,323	
8								
9	OPERATING EXPENSES AND EQUIPMENT							
10	General expense -----				\$644,961	\$666,124	\$692,798	
11	Travel -----				158,287	182,600	172,562	
12	Facilities expense -----				312,720	310,918	311,115	
13	Contractual services -----				138,037	665,438	512,145	
14	Equipment -----				32,990	29,827	35,884	
15								
16	Totals, Operating Expenses and Equipment -----				\$1,286,995	\$1,854,907	\$1,724,504	
17								
18	Totals, Expenditures -----				\$6,297,589	\$7,618,202	\$7,219,827	
19	Reimbursements:							
20	Federal -----	(-3.4)	(-10.5)	(-7)	-\$85,679	-\$863,828	-\$587,386	
21	Other -----	(-76)	(-116)	(-116.3)	-995,334	-1,652,426	-1,692,941	
22								
23	Totals, Reimbursements -----	(-79.4)	(-126.5)	(-123.3)	-\$1,081,013	-\$2,516,254	-\$2,280,327	
24								
25	Totals, Expenditures (General Fund) -----				\$5,216,576	\$5,101,948	\$4,939,500	
26								
27	APPROPRIATION							
28								
29	Support, Item 144 (General Fund) -----						\$4,939,500	
30								
31	REVENUES				ACTUAL	ESTIMATED	PROPOSED	
32					1969-70	1970-71	1971-72	
33								
34	Miscellaneous (General Fund) -----				\$4,452	\$2,600	\$2,600	
35								
36								
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PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Headquarters Office at Sacramento

GENERAL ANALYSIS

The system administers a group of separate, but somewhat related, benefits for just under a half million public employees within the State of California. This grouping consists of retirement and death benefits; the extension of social security coverage to public employees, and the development, negotiation and operation of a number of group hospital and medical insurance plans.

As part of its administrative responsibilities, the system recommends improvements in these benefits to

maintain them at a level at least equal to those furnished by the private sector and other public employers.

The system's programs include the constitutional officers of the state, the members of the Legislature, legislative employees, state employees, almost all school employees who are not teachers, and any other public employees whose employer elects to contract for the benefits the system offers.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Retirement	156.9	169.3	170.2	\$3,541,882	\$4,020,648	\$4,230,023
II. Social Security	15.1	15.8	15.8	203,165	217,442	224,173
III. Health Benefits	18.1	21.5	22.6	400,833	545,102	528,696
IV. Administration—distributed to other programs	—	—	—	(2,019,237)	(2,316,148)	(2,437,677)
V. Administrative—undistributed	124.5	135.1	137	305,262	327,743	336,229
TOTALS, PROGRAMS	314.6	341.7	345.6	\$4,451,142	\$5,110,935	\$5,319,121
Reimbursements				-746,889	-901,985	-833,402
NET TOTALS, PROGRAMS				\$3,704,253	\$4,208,950	\$4,485,719
General Fund				22,500	18,000	18,000
Public Employees' Retirement Fund				3,280,920	3,645,848	3,939,023
State Employees' Contingency Reserve Fund				400,833	545,102	528,696

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Retirement Program

Membership within the system increased to 425,668 as of June 30, 1970, and it is anticipated that growth will continue to a total of approximately 460,000 by June 30, 1972. It is also expected that the number of persons receiving monthly allowances from the system will exceed 68,000 by June 30, 1972, an increase of over 11,000 from the 57,086 on our rolls as of June 30, 1970.

Significant changes were made to the benefit structure during the 1970 legislative session in that the service retirement allowances for forestry members and certain employees of the Departments of Corrections and Youth Authority were improved. Industrial disability and death benefits were extended to local miscellaneous members at the option of the employer.

The system proposes to intensify its review of payments being made for disability retirement. The objective is to return to gainful employment those who are capable of doing so and at the same time, reduce the system's overall liabilities. A test program has indicated that an expenditure of about thirty thousand

dollars per year would result in an annual reduction of over a quarter of a million dollars in future benefit payments.

Health Benefits Program

Two major changes were made at the 1970 session of the Legislature. First, the state's contribution toward the cost of health insurance premiums was increased from \$8 per month to \$10 effective with the July 1970 pay period. The legislation further provided that the state's contribution would increase by \$2 per month in each succeeding fiscal year until July 1973, at which time the state would be paying \$16 per month.

Legislation was also enacted which will permit public agency employers to contribute as much as they wish toward the cost of health insurance, but not less than the minimum required by statute. As a result, enrollments of public agency employers will increase from about 3,000 on June 30, 1970, to 6,000 as of December 31, 1970, and over 12,000 as of June 30, 1971. Additional growth in the public agency enrollment is expected in the 1971-72 fiscal year.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2							
3							
4	PERSONAL SERVICES						
5	Net salaries and wages-----	314.6	341.7	345.6	\$2,649,421	\$2,981,406	\$3,135,613
6	Staff benefits -----	-	-	-	284,968	315,829	353,884
7							
8	Totals, Personal Services -----	314.6	341.7	345.6	\$2,934,389	\$3,297,235	\$3,489,497
9							
10	OPERATING EXPENSES AND EQUIPMENT						
11	General expense -----				\$573,958	\$636,190	\$580,766
12	Travel -----				47,817	59,500	59,500
13	Disability retirement processing -----				101,390	122,500	171,000
14	Facilities expense -----				197,850	209,170	222,982
15	Contractual services -----				162,944	286,183	281,770
16	Pro rata fiscal charges -----				423,460	471,497	495,136
17	Equipment -----				9,334	28,660	18,470
18							
19	Totals, Operating Expenses and Equipment-----				\$1,516,753	\$1,813,700	\$1,829,624
20							
21	Totals, Expenditures -----				\$4,451,142	\$5,110,935	\$5,319,121
22	Reimbursements -----				-746,889	-901,985	-833,402
23							
24	Net Expenditures -----				\$3,704,253	\$4,208,950	\$4,485,719
25	General Fund -----				22,500	18,000	18,000
26	Public Employees Retirement Fund -----				3,280,920	3,645,848	3,939,023
27	State Employees Contingency Reserve Fund -----				400,833	545,102	528,696
28							
29							
30	APPROPRIATIONS						
31							
32	Support, Item 145 (General Fund) -----						\$18,000
33	Support, Item 146 (Public Employees' Retirement Fund)-----						3,939,023
34	Support, Item 147 (State Employees' Contingency Reserve Fund)-----						528,696
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STATE TEACHERS' RETIREMENT SYSTEM

GENERAL ANALYSIS

The State Teachers Retirement System administers a statewide retirement program for California's teachers. Over 40,000 persons are currently receiving benefit payments from the system. The Teachers' Retirement Fund contains over \$1.7 billion of teacher contributions that are currently invested in bonds and mortgages.

The system provides indirect assistance to employing districts in recruiting and retaining competent teachers and provides for orderly retirement of the aged and disabled teacher.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Service to members and employers --	180.2	216.8	267.4	\$2,266,870	\$2,807,324	\$3,382,000
Reimbursements -----				-1,335	-144,625	-289,000
NET TOTALS, PROGRAM -----				\$2,265,535	\$2,662,699	\$3,093,000
General Fund -----				1,159,700	1,431,468	1,287,000
Teachers' Retirement Fund -----				1,105,835	1,231,231	1,806,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

For the system to be properly administered, there must be necessary actuarial, financial and statistical data to assist management in decision making. Proper records must be accumulated from which a data base can be maintained and members' and employers' inquiries can be answered. This must include a current record of all services performed and contributions made by members. The completeness of these records and the detailed information they contain determines the effectiveness and the financial condition of the system.

In order to accomplish the necessary administration, the system is embarked on a program to (1) verify all member service by 1976-77 and (2) to have all counties converted from annual to monthly reporting of contributions to the system by July 1, 1972.

Verification of Member's Service

The Verification Program is required to provide a data base resulting in the following:

- 1. Ability to determine the actuarial liability of the system.
- 2. Ability to determine the cost of current and future benefit proposals.
- 3. Ability to provide more complete and timely service to the members.

To properly implement the Verification Project, an additional 42 positions are proposed for 1971-72 to bring the total verification staff to 74 positions. This staff should be able to complete the verification of approximately 290,000 members' service in five years.

Monthly Reporting

As of July 1, 1970, 16 counties have converted from annual to monthly reporting of contributions on earnings of members to the system.

Complete conversion of the counties to monthly reporting will provide:

- 1. Current records of contributions by members.
 - 2. Current data so that the system can pay benefits on a timely basis.
 - 3. Better service to both members and employers.
- It is planned to have 21 additional counties on monthly reporting starting July 1, 1971 with the remaining 21 counties to start reporting monthly on July 1, 1972 to complete this project leading to the entire elimination of annual reports on July 1, 1973. The increased workload resulting from conversion requires an additional 12 positions in 1971-72.

Administration

Six positions are proposed for workload increases in the Division of Accounting, Investments and Control Sections. The personnel increases on the control unit are related to the monthly reporting program.

Investment Program

During 1969-70 fiscal year the system continued to realize record high yields on new investments resulting in a new high average rate of return of 5.33 percent net yield on the total investment portfolio.

In November 1970 the voters ratified a constitutional amendment allowing the system to invest in equities. The retirement board is sponsoring legislation to implement this constitutional amendment.

STATE TEACHERS' RETIREMENT SYSTEM—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)				
1	STATE OPERATIONS							
2								
3	PERSONAL SERVICES							
4	Net salaries and wages-----	180.2	216.8	267.4	\$1,355,741	\$1,699,146	\$2,060,493	
5	Staff benefits-----	-	-	-	156,050	192,003	221,863	
6								
7	Totals, Personal Services-----	180.2	216.8	267.4	\$1,511,791	\$1,891,149	\$2,282,356	
8								
9	OPERATING EXPENSES AND EQUIPMENT							
10	General expense-----				\$442,752	\$485,127	\$569,159	
11	Travel-----				19,368	18,400	29,600	
12	Facilities expense-----				112,731	141,882	161,527	
13	Contractual services-----				40,825	59,500	77,500	
14	Investment services-----				112,437	159,500	168,413	
15	Disability examination-----				3,498	27,000	50,000	
16	Equipment-----				23,468	24,766	43,445	
17								
18	Totals, Operating Expense and Equipment-----				\$755,079	\$916,175	\$1,099,644	
19								
20	Totals, Expenditures-----				\$2,266,870	\$2,807,324	\$3,382,000	
21	Reimbursements—other-----				-1,335	-144,625	-289,000	
22								
23	Net Expenditures-----				\$2,265,535	\$2,662,699	\$3,093,000	
24	General Fund-----				1,159,700	1,431,468	1,287,000	
25	Teachers' Retirement Fund-----				1,105,835	1,231,231	1,806,000	
26								
27	APPROPRIATIONS							
28								
29	Support, Item 148 (General Fund)-----						\$1,287,000	
30	Support, Item 149 (Teachers' Retirement Fund)-----						1,806,000	
31								
32								
33	REVENUES				ACTUAL	ESTIMATED	PROPOSED	
34					1969-70	1970-71	1971-72	
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39	General Fund-----				\$294	-	-	
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DEPARTMENT OF VETERANS AFFAIRS

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of Veterans Affairs contributes toward the general welfare, economic well-being and rehabilitation of veterans through the administration of benefits authorized by the state legislature and by assisting them in obtaining other benefits to which they are entitled under federal laws. The department

also assists dependents of veterans in obtaining such benefits as may be available to them, under state and federal laws, because of the death or disability of a veteran. Domiciliary, nursing home, and hospital care is provided for sick and disabled veterans.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Farm and Home Loans to Veterans ^a -----	161.4	162.2	143.7	\$43,777,177	\$43,727,751	\$45,493,283
II. Veterans Claims and Rights -----	41.3	39.5	37.3	1,023,886	1,019,341	994,933
III. Educational Assistance to Veterans Dependents -----	15.1	15	14.2	2,746,671	2,569,563	2,278,630
IV. Care of Sick and Disabled Veterans -----	703.3	719.6	709.6	7,504,144	8,151,380	8,202,791
V. General Administration—distributed to other programs -----	9	8.8	30	(181,863)	(194,674)	(433,656)
TOTALS, PROGRAMS -----	930.1	945.1	934.8	\$55,051,878	\$55,468,035	\$56,969,637
Reimbursements -----				-378,868	-1,311,755	-1,811,655
NET TOTALS, PROGRAM -----				\$54,673,010	\$54,156,280	\$55,157,982
General Fund -----				8,175,879	7,347,055	6,606,738
Veterans Farm and Home Building Fund of 1943 ^b -----				44,409,473	44,338,825	46,115,434
Federal funds -----				2,087,658	2,470,400	2,435,810

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Farm and Home Loans to Veterans

Bond interest payments under the farm and home loan program will increase by approximately \$1,700,000 during the budget year because of the sale of \$200 million in veterans bonds during the current and budget years. The 1970 Legislature enacted legislation to permit the department to issue and sell revenue debentures amounting to \$50 million. If this alternate source of funds proves feasible, subsequent authorization of \$50 million annually will be requested. Each \$50 million authorization will give rise to approximately 2,750 additional loans, 3,500 additional appraisals and 200 additional insurance claims.

Veterans Home

The system of fees and charges to Veterans Home members required by the 1970 Budget Act, effective September 1, 1970, is expected to provide reimbursements of \$900,000 during 1970-71 and \$1.3 million in 1971-72. As a result of these fees, increases in aid and attendance collections and increased federal reimbursements, the State General Fund support of the Veterans Home has been reduced significantly from \$5,318,151 in 1969-70, to an estimated \$4,605,878 in 1970-71, and \$3,785,192 in 1971-72.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)				
STATE OPERATIONS							
PERSONAL SERVICES							
Net salaries and wages -----	930.1	945.1	934.8	\$7,655,675	\$8,185,132	\$8,213,228	
Staff benefits -----	-	-	-	880,825	988,180	1,030,825	
Totals, Personal Services -----	930.1	945.1	934.8	\$8,536,500	\$9,173,312	\$9,244,053	
OPERATING EXPENSES AND EQUIPMENT							
General expense -----				\$488,471	\$586,150	\$596,361	
Travel -----				125,681	136,491	142,329	
Facilities expense -----				564,277	607,773	615,875	
Subsistence and personal care -----				789,987	869,535	848,060	
Contractual services -----				83,881	108,290	100,450	
Equipment -----				133,220	85,600	127,000	
Totals, Operating Expenses and Equipment -----				\$2,185,517	\$2,393,839	\$2,430,075	
Totals, Expenditures -----				\$10,722,017	\$11,567,151	\$11,674,128	
Reimbursements -----				-378,868	-1,311,755	-1,811,655	
Net Expenditures -----				\$10,343,149	\$10,255,396	\$9,862,473	

^a Operational costs and debt service—does not include value of Cal-Vet loans.

^b A public service enterprise fund, not included in overall budget totals.

DEPARTMENT OF VETERANS AFFAIRS—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	STATE OPERATIONS—Continued			
2				
3	SPECIAL ITEMS OF EXPENSE			
4	Bond interest -----	\$41,270,852	\$41,022,559	\$42,710,409
5	Educational assistance to veterans dependents -----	2,559,078	2,378,325	2,085,100
6				
7	Totals, Expenditures -----	\$54,173,079	\$53,656,280	\$54,657,982
8	General Fund -----	8,175,879	7,347,055	6,606,738
9	Veterans Farm and Home Building Fund of 1943 -----	43,909,542	43,838,825	45,615,434
10	Federal funds -----	2,087,658	2,470,400	2,435,810
11				
12				
13	LOCAL ASSISTANCE			
14				
15	County veteran service officers (Veterans Farm and Home Build- ing Fund of 1493) -----	\$499,931	\$500,000	\$500,000
16				
17				
18				
19	APPROPRIATIONS			
20				
21	Support, Item 150 (General Fund) -----			\$736,446
22	Support, Item 151 (Veterans' Farm and Home Building Fund) -----			369,211
23	Support, Item 152 (General Fund) -----			2,085,100
24	Support, Item 153 (General Fund) -----			3,785,192
25	Local assistance, Item 154 (Veterans' Farm and Home Building Fund) -----			500,000
26	Other:			
27	Continuing appropriation (Veterans' Farm and Home Building Fund of 1943) -----			45,246,223
28	State operations (Federal funds) -----			2,435,810
29				
30				
31	REVENUES	ACTUAL	ESTIMATED	PROPOSED
32		1969-70	1970-71	1971-72
33				
34				
35	General Fund -----	\$253,174	\$305,000	\$305,000
36	Veterans' Farm and Home Building Fund of 1943 ^b -----	53,282,309	55,014,273	55,212,773
37				
38				
39				
40	SUMMARY—CAPITAL OUTLAY	ACTUAL	ESTIMATED	PROPOSED
41		1969-70	1970-71	1971-72
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Department of Veterans Affairs—Capital Outlay

VETERANS HOME

Major projects -----	\$865	-	-
Minor projects -----	82,823	\$125,000	-
Totals, Expenditures -----	\$83,688	\$125,000	-
General Fund -----	82,823	125,000	-
State Construction Program Fund -----	865	-	-

GENERAL ANALYSIS

¹ The Veterans Home, a 2,342-bed facility, is located in Yountville, Napa County. It is a home for aged and disabled honorably discharged former members of the armed forces. The site of the home is on a hill-

side with both single- and two-story buildings and a four-story hospital. Hospital and nursing home care facilities are totally occupied.

^b A public service enterprise fund, not included in overall budget totals.



BUSINESS AND TRANSPORTATION

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of Alcoholic Beverage Control enforces the state liquor laws by the elimination of the unlawful manufacture, selling and disposing of alcoholic beverages.

The Department functions through a headquarters office and area, district and branch offices. The field offices receive and review applications for new licenses

and the transfers of existing licenses, investigate the character of applicants, provide direct law compliance and encourage, train and assist local law enforcement agencies to enforce the Alcoholic Beverage Control Act. Compliance is determined by inspection and investigation.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Administration of Alcoholic Beverage Control Act	432.3	440.4	436.4	\$5,819,478	\$6,283,557	\$6,283,277
Reimbursements				-50,649	-20,000	-20,000
NET TOTALS, PROGRAM (General Fund)				\$5,768,829	\$6,263,557	\$6,263,277

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Licensing	Workload Information Calendar Year Basis				Compliance	Workload Information Calendar Year Basis			
	Actual 1969	Estimated 1970 1971 1972				Actual 1969	Estimated 1970 1971 1972		
Total applications received	14,026	14,750	14,750	14,750	Accusations filed	2,240	2,750	2,750	2,652
Applications denied	278	275	300	300	Licenses revoked	212	225	225	224
Applications withdrawn	1,192	1,500	1,550	1,550	Disciplinary actions other than revocation	1,699	2,000	2,000	1,915
Licenses issued	12,521	13,000	13,000	13,000	Accusations dismissed	237	250	250	238
New on-sale general applica- tions received	299	300	320	320	Arrests, Alcoholic Beverage Control	1,457	1,500	1,525	1,435
New on-sale general licenses issued	107	150	150	150	Minors	1,155	1,200	1,225	1,135
New off-sale general applica- tions received	609	650	650	650	Miscellaneous	302	300	300	300
New off-sale general licenses issued	73	75	75	75	Arrests, jointly	324	350	375	392
Intercounty licenses issued:					Minors	85	95	100	102
off-sale	18	20	20	20	Miscellaneous	239	255	275	290
on-sale	1	2	2	2	Complaints and referrals in- vestigated	9,507	9,500	9,250	9,000
Active licenses, April 1	49,552	49,550	49,575	49,600	Corporate changes investigated	571	500	500	500
Temporary retail permits	5,260	5,500	5,550	5,600	Hearings held	1,270	1,400	1,400	1,342
Special daily licenses	6,125	6,000	6,100	6,200	Manager Certificates:				
Daily on-sale general licenses	184 ^a	2,000	2,100	2,200	Issued	575	600	650	700
License fee transactions	83,958	85,108	85,500	85,500	Denied	5	6	7	8
					Canceled	51	60	65	70

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages	432.3	440.4	436.4	\$4,295,606	\$4,652,241	\$4,611,046
Staff benefits	-	-	-	457,059	515,801	515,916
Totals, Personal Services	432.3	440.4	436.4	\$4,752,665	\$5,168,042	\$5,126,962
OPERATING EXPENSES AND EQUIPMENT						
General expense				\$236,709	\$250,888	\$262,990
Travel				194,936	206,309	200,435
Facilities expense				261,634	274,429	278,294
Contractual services				357,420	356,540	398,370
Equipment				16,114	27,349	16,226
Totals, Operating Expenses and Equipment				\$1,066,813	\$1,115,515	\$1,156,315
Totals, Expenditures				\$5,819,478	\$6,283,557	\$6,283,277
Reimbursements				-50,649	-20,000	-20,000
Net Expenditures (General Fund)				\$5,768,829	\$6,263,557	\$6,263,277

^a November and December only.

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	APPROPRIATION			
2				
3	Support, Item 155 (General Fund) -----			\$6,263,277
4				
5				
6				
7	REVENUES	ACTUAL	ESTIMATED	PROPOSED
8		1969-70	1970-71	1971-72
9				
10				
11	General Fund -----	\$6,962,874	\$7,000,000	\$7,000,000
12				
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15	ALCOHOLIC BEVERAGE CONTROL APPEALS BOARD			
16	Headquarters Office at Sacramento			
17	GENERAL ANALYSIS			
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STATE BANKING DEPARTMENT

Headquarters Office at San Francisco

GENERAL ANALYSIS

The State Banking Department is primarily concerned with protecting the public from economic loss resulting from bank and trust company failures. In addition to encouraging observance of sound banking practices, the department regulates transmitters of money abroad, and certifies securities as legal investments for savings banks. In addition, the Superintendent of Banks has the duty of functioning as the

Administrator of Local Agency Security. With the exception of the Local Agency Security Program, which is a General Fund program, the programs of the State Banking Department are supported by the State Banking Fund, which is replenished annually by assessment of banks and trust companies, license and application fees, and charges for specific services.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Licensing and supervision of banks and trust companies-----	62.2	68	68	\$1,078,395	\$1,161,323	\$1,202,034
II. Transmitters of money abroad --	0.1	0.1	0.1	2,500	2,500	2,500
III. Certification of securities -----	0.1	0.1	0.1	2,500	2,500	2,500
IV. Small business assistance -----	-	-	-	71,980	-	-
V. Administration of local agency security -----	0.5	1.5	3	6,326	38,520	64,060
VI. Departmental administration ---	11.7	13.3	11.8	220,819	254,924	263,861
TOTALS, PROGRAMS -----	74.6	83	83	\$1,382,520	\$1,459,767	\$1,534,955
Reimbursements -----				-21,736	-38,520	-64,060
NET TOTALS, PROGRAMS -----				\$1,360,784	\$1,421,247	\$1,470,895
General Fund -----				71,980	-	-
Banking Fund -----				1,288,804	1,421,247	1,470,895

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

State Licensed Bank Facilities

	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Banks -----	82	87	94
Branches -----	597	660	735
Trust facilities-----	8	10	12
Foreign bank corporations-----	22	24	27

Investigation of Application for New Facilities

	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Applications filed for new banks -----	14	15	15
Applications filed for new branches -----	82	85	90
Applications filed for new trust facilities -----	-	2	2

Certification of Securities

Prior to World War II, due to inadequate regulation of the issuance of securities and other factors, it was necessary to provide extensive and restrictive statutes governing the investment in securities by banks. Given the current regulatory structure, continued supervision by this department is deemed inappropriate.

Legislation was submitted during the 1970 session to transfer this function to the Department of Corporations, but it did not pass.

The department is now restudying the feasibility of terminating the program or sponsoring new legislation to transfer the function to the Department of Corporations.

Administration of Local Agency Security

Two positions in this program are being eliminated in the 1971-72 budget since the manpower requirements are less than originally anticipated.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	74.6	83	83	\$958,958	\$1,100,534	\$1,130,398
Staff benefits -----	-	-	-	96,298	111,000	131,000
Totals, Personal Services -----	74.6	83	83	\$1,055,256	\$1,211,534	\$1,261,398

STATE BANKING DEPARTMENT—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	STATE OPERATIONS—Continued			
2				
3				
4	OPERATING EXPENSES AND EQUIPMENT			
5	General expense -----	\$88,626	\$86,508	\$106,239
6	Travel -----	82,116	89,747	97,463
7	Facilities expense -----	82,869	69,878	67,355
8	Small business assistance -----	71,831	-	-
9	Equipment -----	1,822	2,100	2,500
10				
11	Totals, Operating Expenses and Equipment -----	\$327,264	\$248,233	\$273,557
12				
13	Totals, Expenditures -----	\$1,382,520	\$1,459,767	\$1,534,955
14	Reimbursements -----	-21,736	-38,520	-64,060
15				
16	Net Expenditures -----	\$1,360,784	\$1,421,247	\$1,470,895
17	General Fund -----	71,980	-	-
18	Banking Fund -----	1,288,804	1,421,247	1,470,895
19				
20				
21	APPROPRIATIONS			
22				
23	Support, Item 157 (General Fund) -----			-
24	Support, Item 158 (Banking Fund) -----			(\$64,060)
25	Support, Item 159 (Banking Fund) -----			1,470,895
26				
27				
28				
29	REVENUES	ACTUAL	ESTIMATED	PROPOSED
30		1969-70	1970-71	1971-72
31				
32				
33	Banking Fund -----	\$1,346,203	\$1,356,260	\$1,370,250
34	General Fund -----	166	-	-
35				
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DEPARTMENT OF CORPORATIONS

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of Corporations is concerned with providing appropriate controls over solicitation, marketing and sale of securities and franchises to California residents; installing and maintaining adequate deterrents and safeguards against unfair or unscrupulous promotional schemes; taking suitable enforce-

ment action when dishonest and questionable practices occur in such sales; and providing regulatory surveillance over companies engaged in the business of lending money or receiving funds from the public in a fiduciary capacity.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Securities and Franchise Program	161.5	172	172.2	\$2,625,938	\$2,919,644	\$2,919,644
II. Lender—Fiduciary Program	94.4	92.8	85.8	1,342,973	1,356,743	1,347,672
III. Administration—distributed to other programs	14	14	14	(168,935)	(177,382)	(187,143)
TOTALS, PROGRAMS	269.9	278.8	272	\$3,968,911	\$4,276,387	\$4,267,316
Reimbursements				-1,028,852	-957,646	-1,067,316
NET TOTALS, PROGRAMS (General Fund)				\$2,940,059	\$3,318,741	\$3,200,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Franchises

The department is charged with the enforcement and administration of the new Franchise Investment Law (Chapter 1400, Statutes of 1970), which became operative on January 1, 1971. It is the intent of this law to provide each prospective franchisee with the information necessary to make an intelligent decision regarding franchises being offered and to prohibit the sale of franchises where such sale would lead to fraud

or a likelihood that the franchisor's promises would not be fulfilled.

This regulatory activity will cost \$81,748 and require 7.9 man-years for the 1971-72 fiscal year. The additional staff required for this program has been offset by reductions in other areas, principally in the Retirement Systems Law where regulation has been simplified through enactment of a new disclosure law in 1970.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages-----	269.9	278.8	272	\$3,041,596	\$3,299,374	\$3,286,880
Staff benefits -----	-	-	-	306,313	340,284	346,043
Totals, Personal Services -----	269.9	278.8	272	\$3,347,909	\$3,639,658	\$3,632,923
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$270,802	\$260,734	\$270,500
Travel -----				123,910	130,200	132,200
Facilities expense -----				199,822	209,574	210,693
Contractual services -----				3,905	6,000	6,000
Equipment -----				22,563	30,221	15,000
Totals, Operating Expenses and Equipment-----				\$621,002	\$636,729	\$634,393
Totals, Expenditures -----				\$3,968,911	\$4,276,387	\$4,267,316
Reimbursements -----				-1,028,852	-957,646	-1,067,316
Net Expenditures (General Fund)-----				\$2,940,059	\$3,318,741	\$3,200,000

APPROPRIATION

Support. Item 160 (General Fund) \$3,200,000

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund	\$7,234,378	\$6,657,150	\$6,614,650

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Headquarters Office at Sacramento

GENERAL ANALYSIS

The department is concerned with promoting and maintaining adequate housing and public living environments for California citizens of all socioeconomic levels and protecting the public from inadequate construction, manufacture, repair, or rehabilitation of buildings, particularly dwelling units, and from improper living environments through the establishment

and enforcement of health and safety standards.

In addition, the department serves as a catalyst in seeking solutions to California's housing and community development problems through technical assistance, advice, research, and dissemination of information to citizens, private businesses and governmental entities.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Building and Housing Standards Program	97.7	89	102.5	\$1,718,274	\$1,694,507	\$1,889,576
II. Technical Assistance Program	12.6	18.3	16.5	252,225	523,727	476,907
III. Administration — distributed to other programs	11.6	11	10	(173,555)	(168,390)	(166,766)
TOTALS, PROGRAMS	121.9	118.3	129	\$1,970,499	\$2,218,234	\$2,366,483
Reimbursements				-41,399	-329,427	-1,058,105
NET TOTALS, PROGRAM (General Fund)				\$1,929,100	\$1,888,807	\$1,308,378

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Building and Housing Standards Program

For 1971-72, there is an increase in the employee housing and labor camps and mobilehomes elements and a decrease in the mobilehome parks and accessory structures element.

Employee housing and labor camps is increased as a result of the passage of SB 681, which requires annual labor camps inspection; and mobilehomes is increased because of significant rises in workload. Beginning with the 1971-72 fiscal year the mobilehome inspection program will be budgeted on a reimbursement basis.

The Factory-Built Housing Law element is being implemented through the use of independent quality

control agencies rather than having the department's staff make all in-plant inspections.

Technical Assistance Program

Within the technical assistance program the elements have been restructured. Innovative program elements have been added and are attributed to statewide housing policy, local assistance, special assistance to small communities, and training of local citizens and officials. A new low-income home management training program component has been added to the low- and moderate-income housing element. Federal grant and aid funds will partially support special assistance to small communities, training of local citizens and officials, and the low-income home management training program.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages-----	121.9	118.3	129	\$1,398,023	\$1,455,970	\$1,587,406
Staff benefits-----	-	-	-	153,790	159,093	181,849
Totals, Personal Services-----	121.9	118.3	129	\$1,551,813	\$1,615,063	\$1,769,255
OPERATING EXPENSES AND EQUIPMENT						
General expense-----				\$137,844	\$140,869	\$140,617
Travel-----				175,188	206,354	208,230
Facilities expense-----				80,150	79,371	78,471
Contractual services-----				14,450	176,442	169,910
Equipment-----				11,054	135	-
Totals, Operating Expenses and Equipment-----				\$418,686	\$603,171	\$597,228
Totals, Expenditures-----				\$1,970,499	\$2,218,234	\$2,366,483
Reimbursements:						
Federal-----				-40,000	-232,933	-177,110
Other-----				-1,399	-96,494	-880,995
Net Expenditures (General Fund)-----				\$1,929,100	\$1,888,807	\$1,308,378

APPROPRIATION

Support, Item 161 (General Fund)						\$1,308,378
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DEPARTMENT OF INSURANCE
Headquarters Office at San Francisco

LINE	REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2	Miscellaneous (General Fund) -----	\$1,353,330	\$1,435,000	\$645,000

GENERAL ANALYSIS

The purpose of the Department of Insurance is to protect the general public, insurance policyholders and the rights of beneficiaries in California.

This is accomplished through regulating insurance companies for solvency, granting or denying security permits, reviewing annually some 25,000 insurance policies and related forms, establishing rates and rules for workmen's compensation insurance, regulating compliance with the general rating law, and becoming receiver of insurance companies in financial trouble.

In addition, the department maintains a staff of insurance officers in four cities to receive complaints from the public concerning insurance claims or misconduct of agents or brokers. Complaints are vigorously investigated, and prompt correction of any company or agency misbehavior is required.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Regulation of insurance companies	183.4	181.4	191.9	\$2,865,239	\$3,119,814	\$3,386,619
II. Regulation of insurance producers	101.5	103.4	103.4	1,219,304	1,345,604	1,380,697
III. Administration—distributed to other programs -----	(53.5)	(50.9)	(51.4)	(838,621)	(953,304)	(979,763)
TOTALS, PROGRAMS -----	284.9	284.8	295.3	\$4,084,543	\$4,465,418	\$4,767,316
Reimbursements -----				-59,817	-	-
NET TOTALS, PROGRAM (General Fund) -----				\$4,024,726	\$4,465,418	\$4,767,316

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Nine new positions are included in the regulation of insurance companies program to handle increased workload in the areas of field examination and rate regulation. The cost of these positions is fully reimbursed by those companies being examined.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	284.9	284.8	295.3	\$3,054,995	\$3,314,468	\$3,414,331
Staff benefits -----	-	-	-	317,669	371,545	389,795
Totals, Personal Services -----	284.9	284.8	295.3	\$3,372,664	\$3,686,013	\$3,804,126
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$233,881	\$236,618	\$267,082
Travel -----				161,876	188,458	326,319
Facilities expense -----				199,011	210,301	213,942
Contractual services -----				70,693	97,571	101,800
Membership, NAIC -----				24,000	26,000	26,000
Liquidation expense -----				14,670	15,257	15,697
Appraisals -----				5,000	5,200	5,350
Equipment -----				2,748	-	7,000
Totals, Operating Expenses and Equipment -----				\$711,879	\$779,405	\$963,190
Total Expenditures -----				\$4,084,543	\$4,465,418	\$4,767,316
Reimbursements -----				-59,817	-	-
Net Expenditures (General Fund) -----				\$4,024,726	\$4,465,418	\$4,767,316

APPROPRIATION

Support, Item 162 (General Fund) -----						\$4,767,316
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REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----	\$4,481,161	\$4,550,000	\$4,868,343

RIOT AND CIVIL DISORDERS INSURANCE

GENERAL ANALYSIS

In 1968 federal legislation was enacted which authorized the Secretary of Housing and Urban Development to provide private insurers with reinsurance against losses resulting from riots and civil disorders. The purpose of this reinsurance program was to assure the availability of adequate property insurance coverages for residential and business property in the core areas of our cities.

The federal legislation, which was contained in the Housing and Urban Development Act of 1968, required a state to assume a portion of the losses reinsured by the Secretary. The ceiling on the share will be 5 percent of the insurance premiums earned in the state on reinsured lines of property insurance. Such sharing will only be required if reinsured losses exceed premiums paid for reinsurance by insurance companies in that state.

Chapter 649, Statutes of 1969, established the required state program enabling insurance companies

in California to participate in the federal reinsurance protection and provided a means whereby the state could discharge its obligations under this program. Pursuant to the state legislation, the California Riot and Civil Disorders Association was created as a self-supporting agency composed of all insurance companies writing property insurance in California.

A contract has been negotiated between the State of California and the association to reinsure the state against its potential obligation to the Secretary of Housing and Urban Development. The estimated expenditure of \$3,100,000 in 1970-71 provides for the reinsurance coverage for both the 1969-70 and 1970-71 fiscal years. For 1971-72 the premium is estimated to be \$1,750,000 which will cover a potential state liability of approximately \$35 million for the fiscal year.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Riot and Civil Disorders Insurance (<i>General Fund</i>)	-	\$3,100,000	\$1,750,000
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
Riot and Civil Disorders Insurance (<i>General Fund</i>)	-	\$3,100,000	\$1,750,000
APPROPRIATION			
Support, Item 163 (<i>General Fund</i>)			\$1,750,000

DEPARTMENT OF REAL ESTATE

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of Real Estate is concerned with protecting the public in offering of subdivided property, real property securities, real estate syndicate securities and in real estate transactions handled through agents. This is accomplished by permitting only properly trained persons to act as agents in real estate transactions; setting minimum standards for the sale of subdivided properties and real property

and syndicate securities; and removing from the public trust those persons who transact real estate business fraudulently.

The department also encourages professional orientation for the real estate business by assisting in the advancement of education and research in the field of real estate.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Transaction Activities	131	124.6	144.5	\$2,286,917	\$2,326,497	\$2,681,527
II. Offerings and Securities	47.6	51.4	54.4	851,363	847,604	942,740
III. Education and Research	2.6	2.6	2.6	242,003	175,349	198,401
IV. Administration—distributed to other programs	23.8	22.8	22.9	(406,808)	(374,686)	(407,251)
TOTALS, PROGRAMS	205	201.4	224.4	\$3,380,283	\$3,349,450	\$3,822,668
<i>Reimbursements</i>				-3,323	-	-
NET TOTALS, PROGRAM				\$3,376,960	\$3,349,450	\$3,822,668
<i>Real Estate Fund</i>				2,970,163	3,044,110	3,524,267
<i>Real Estate Education, Research and Recovery Fund</i>				406,797	305,340	298,401

DEPARTMENT OF REAL ESTATE—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The transactions activities and offerings and securities programs include 18 new positions to handle an anticipated increase in workload. The following table illustrates the nature of this workload increase as measured in workload units. The increase greatly exceeded that originally anticipated in the 1970-71 Governor's Budget.

The total licensing and subdivision activity is reported as follows:

	Actual 1969-70	Estimated 1970-71	Re-estimated 1970-71	Estimated 1971-72
Licensing	70,906	60,288	75,030	77,922
Examination	5,029	3,185	5,681	5,772
Regulatory	75,108	67,356	76,658	78,557
Subdivisions	30,652	29,281	33,259	35,590
Totals	181,695	160,110	190,628	197,841

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
<i>Licensing Activity</i>			
Total licenses	159,167	161,950	164,730
New applications processed	44,579	49,000	50,000
Reexaminations processed	2,683	2,800	2,850
Renewal applications	27,450	30,000	31,500
Requests for license service	116,783	120,000	125,000
Requests for license record information	46,166	48,000	52,500
Examinations given	52,038	52,000	53,000
Complaints	3,663	3,570	3,680

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
<i>Subdivision Activity</i>			
Subdivision filings	1,885	1,800	2,000
Number of lots	131,826	132,000	133,000
Standard reports issued	1,412	1,400	1,600
Reports issued for subdivisions with common facilities	401	460	475
Out-of-state subdivisions filed	30	30	30

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES

Net salaries and wages	205	201.4	224.4	\$2,048,910	\$2,174,001	\$2,358,523
Staff benefits	-	-	-	218,069	228,164	259,443
Totals, Personal Services	205	201.4	224.4	\$2,266,979	\$2,402,165	\$2,617,966

OPERATING EXPENSES AND EQUIPMENT

General expense				\$530,137	\$398,850	\$572,622
Travel				71,792	64,000	75,890
Facilities expense				152,654	168,930	173,289
Contractual services				82,000	64,000	75,000
Real estate educational needs				16,400	11,000	40,000
Real estate education programs—state and community colleges and private universities				146,983	137,401	158,401
Recovery claims				111,859	100,000	100,000
Equipment				1,479	3,104	9,500
Totals, Operating Expenses and Equipment				\$1,113,304	\$947,285	\$1,204,702
Totals, Expenditures				\$3,380,283	\$3,349,450	\$3,822,668
Reimbursements				-3,323	-	-
Net Expenditures				\$3,376,960	\$3,349,450	\$3,822,668
Real Estate Fund				2,970,163	3,044,110	3,524,267
Real Estate Education, Research and Recovery Fund				406,797	305,340	298,401

APPROPRIATIONS

Support, Item 164 (Real Estate Fund)	\$3,524,267
Support, Item 165 (Real Estate Education Research and Recovery Fund)	298,401

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Real Estate Fund	\$4,475,925	\$4,764,000	\$4,868,000
Real Estate Education, Research and Recovery Fund	681,216	749,000	771,000

DEPARTMENT OF SAVINGS AND LOAN

Headquarters at Los Angeles

GENERAL ANALYSIS

The Department of Savings and Loan, through its administration and enforcement of that segment of Division 2 of the Financial Code called the Savings and Loan Association Law, assures the financial soundness and safety of state-licensed savings and loan associations in California and the legality of their operations.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Supervision and Regulation -----	156.4	159.5	154	\$2,708,520	\$2,875,719	\$2,878,475
Reimbursements -----				-6,176	-	-
NET TOTALS, PROGRAM (<i>Savings and Loan Inspection Fund</i>)				\$2,702,344	\$2,875,719	\$2,878,475

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The size of the regulatory mission of this department is best exemplified by the information in the table below.

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Number of savers and investors (millions) ----	4.8	4.9	5.0
Assets of associations (billions) -----	\$20.8	\$21.8	\$22.9
Number of associations * --	154	140	130

* Decrease caused by mergers

In 1969, Section 8800 of the California Financial Code was amended to require the commissioner to examine every association under his jurisdiction at least once every two years instead of once every year. This enabled the department to introduce greater flexibility into the program of selective scheduling of examinations and to concentrate examination effort on associations with management, operating and financial weaknesses. This selective scheduling of examinations along with an improved association evaluation and examination system has enabled the department to reduce its staffing requirements for 1971-72.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	156.4	159.5	154	\$1,954,929	\$2,129,419	\$2,116,135
Staff benefits -----	-	-	-	200,657	218,895	223,420
Totals, Personal Services -----	156.4	159.5	154	\$2,155,586	\$2,348,314	\$2,339,555
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$203,160	\$207,834	\$217,270
Travel -----				195,870	204,700	207,200
Facilities expense -----				128,977	113,476	114,450
Contractual services -----				23,750	-	-
Equipment -----				1,177	1,395	-
Totals, Operating Expenses and Equipment-----				\$552,934	\$527,405	\$538,920
Totals, Expenditures -----				\$2,708,520	\$2,875,719	\$2,878,475
Reimbursements -----				-6,176	-	-
NET EXPENDITURES (Savings and Loan Inspection Fund)---				\$2,702,344	\$2,875,719	\$2,878,475

APPROPRIATION

Support, Item 166 (<i>Savings and Loan Inspection Fund</i>) -----	\$2,878,475
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REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Savings and Loan Inspection Fund -----	\$2,664,031	\$2,597,745	\$2,557,620

Business and Transportation Agency

OFFICE OF TRAFFIC SAFETY

GENERAL ANALYSIS

The Office of Traffic Safety provides leadership and guidance to achieve a coordinated and effective attack on the problem of traffic safety and assists in assuring that the limited resources available are used most efficiently.

This is accomplished through an annually updated California Traffic Safety Program—a comprehensive statewide plan to coordinate the activities of approximately 3,100 public agencies and private organizations involved in traffic safety. The Office of Traffic

Safety also reviews and approves National Highway Safety Act project grants to public and private agencies. These grants currently total approximately \$6 million per year in California.

This office, a unit of the Business and Transportation Agency, was formerly funded within the Department of Public Works with partial reimbursement from federal funds. In the 1971-72 fiscal year it will be fully reimbursed from federal funds.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Office of Traffic Safety	-	(15) ^a	16	-	(\$427,000) ^b	\$441,500
State Highway Fund	-	-	-	-	(427,000)	-
Federal funds ^c	-	-	-	-	(-)	441,500

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES

Net salaries and wages	-	(15)	16	-	(\$194,864)	\$218,572
Staff benefits	-	(-)	-	-	(23,364)	26,491
Totals, Personal Services	-	(15)	16	-	(\$218,228)	\$245,063
Operating expenses and equipment	-	-	-	-	(208,772)	196,437
Totals, Expenditures	-	-	-	-	(\$427,000)	\$441,500

APPROPRIATION

State operations, grants (Federal funds)	\$441,500
--	-----------

^a Man-years for the 1970-71 fiscal year are included in the total man-years for the Department of Public Works. They are shown here in parentheses for comparison purposes only.

^b Expenditures for the 1970-71 fiscal year are included in the total expenditures reported for the Department of Public Works. They are reflected here in parentheses for comparison purposes only.

^c Grants from the federal government and expenditures therefrom are not included in the overall budget totals.

Business and Transportation Agency

OFFICE OF TRANSPORTATION PLANNING AND RESEARCH

GENERAL ANALYSIS

In 1969 the State Transportation Board was established in the Business and Transportation Agency to provide the Secretary for Business and Transportation and the Legislature with advice and assistance in a broad overview of the effectiveness and compatibility of public programs in transportation in relation to other public programs and private enterprises. The Office of Transportation Planning and Research has been established in the Business and Transportation Agency to support the Secretary for Business and

Transportation and the State Transportation Board in the collection, analysis, and evaluation of transportation data and information as well as in the coordination of transportation plans and programs. Upon request, the office provides information and research to any appropriate committee of the Legislature whose activities relate to the transportation field in order to aid the Legislature in considering or enacting proposed statutes relating to balanced transportation needs.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Office of Transportation Planning and Research	-	7.3	7.3	-	\$121,350	\$243,100
Reimbursements	-	-	-	-	-7,600	-9,000
NET TOTALS, PROGRAM	-	7.3	7.3	-	\$113,750	\$234,100
General Fund	-	-	-	-	16,278	8,000
Aeronautics Fund	-	-	-	-	2,034	4,200
Harbors and Watercraft Revolving Fund	-	-	-	-	679	1,403
Motor Vehicle Fund	-	-	-	-	-	220,497
Highway Users Tax Fund	-	-	-	-	94,759	-

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES

Net Totals, Salaries and Wages	-	7.3	7.3	-	\$69,608	\$121,197
Staff benefits	-	-	-	-	8,346	14,689
Totals, Personal Services	-	7.3	7.3	-	\$77,954	\$135,886

OPERATING EXPENSES AND EQUIPMENT

General expense	-	-	-	-	\$29,946	\$80,564
Travel	-	-	-	-	7,700	17,250
Facilities expense	-	-	-	-	4,600	7,100
Equipment	-	-	-	-	1,150	2,300
Totals, Operating Expenses and Equipment	-	-	-	-	\$43,396	\$107,214
Totals, Expenditures	-	-	-	-	\$121,350	\$243,100
Reimbursements:	-	-	-	-	-	-
Federal	-	-	-	-	-2,900	-1,000
Other	-	-	-	-	-4,700	-8,000
Totals, Reimbursements	-	-	-	-	-\$7,600	-\$9,000

Totals, Expenditures	-	-	-	-	\$113,750	\$234,100
General Fund	-	-	-	-	16,278	8,000
Aeronautics Fund	-	-	-	-	2,034	4,200
Harbors and Watercraft Revolving Fund	-	-	-	-	679	1,403
Motor Vehicle Fund	-	-	-	-	-	220,497
Highway Users' Tax Fund	-	-	-	-	94,759	-

APPROPRIATIONS

Support, Item 167 (General Fund)	-	-	-	-	-	\$8,000
Support, Item 168 (Aeronautics Fund)	-	-	-	-	-	4,200
Support, Item 169 (Harbors and Watercraft Revolving Fund)	-	-	-	-	-	1,403
Support, Item 170 (Motor Vehicle Fund)	-	-	-	-	-	220,497

BUSINESS AND TRANSPORTATION SPECIAL SERVICES AND STUDIES

GENERAL ANALYSIS

Business and Transportation Special Services and Studies consists of those particular studies within the Business and Transportation Agency which are not directly related to a specific department or office. They are: (1) Medical Aspects of Traffic Safety, (2) Automobile Accident Study Commission, and (3) the West Coast Air Corridor Study.

The Medical Aspects of Traffic Safety Study is aimed at determining the medical aspects of traffic injury and related accident control.

The Automobile Accident Study Commission was created to study and make suggestions regarding automobile accidents, including their prevention and consequences as well as related insurance and motor vehicle and procedural laws.

The West Coast Air Corridor Study is concerned with defining the needs and problems of short-distance air transportation, including local travel within large cities or contiguous urban areas as well as intercity travel.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Medical Aspects of Traffic Safety	-	-	-	\$126,257	\$25,612	-
II. Automobile Accident Study Commission	4	4	-	65,903	40,043	-
III. West Coast Air Corridor Program Study	-	-	-	99,124	-	-
NET TOTALS, PROGRAMS	4	4	-	\$291,284	\$65,655	-
General Fund				99,124	-	-
Motor Vehicle Fund				83,009	53,426	-
Federal funds				109,151	12,229	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Medical Aspects of Traffic Safety

The Department of Public Health was under contract with the Business and Transportation Agency to conduct a study of emergency health services in relation to traffic safety. Federal funds as well as state funds (appropriated through Chapter 1714, Statutes of 1967) were used to finance this portion of the project. The study has been completed and a report was submitted to the Legislature. No additional support is proposed.

Automobile Accident Study Commission

The commission, consisting of eight members from the Legislature and eight members appointed by the Governor, has filed its final report with the Governor's

office and the Legislature. The enabling legislation provides that the commission shall cease functioning the 90th day following adjournment of the 1970 legislative session.

West Coast Air Corridor Study Program

A contract was awarded the Aerospace Corporation for \$250,000 to complete the study in 12 months. This contract was financed by participating members of the 13 western states; California's share of the total \$300,000 program was set at \$100,000.

The study has been completed and a demonstration program is being developed to measure the acceptability of new short-haul service to the using public, the communities involved, and the operators.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	4	4	--	\$41,045	\$21,432	--
Staff benefits -----	--	--	--	4,067	2,213	--
Totals, Personal Services -----	4	4	--	\$45,112	\$23,645	--
Operating expenses and equipment -----				246,172	42,010	--
Totals, Expenditures -----				\$291,284	\$65,655	--
General Fund -----				99,124	--	--
Motor Vehicle Fund -----				83,009	53,426	--
Federal funds -----				109,151	12,229	--

DEPARTMENT OF AERONAUTICS

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of Aeronautics is responsible for the promotion, development, and protection of the aeronautical interests of the state pursuant to the provisions of Division 9 of the Public Utilities Code (State Aeronautics Act). This is accomplished by:

- a. Encouraging the development of private flying and the general use of air transportation.
- b. Fostering and promoting safety in aeronautics.
- c. Effecting uniformity of the laws and regulations relating to aeronautics, consistent with federal aeronautics laws and regulations.
- d. Assisting in the development of a statewide system of airports and in the improvement of existing

airport facilities through the allocation of aviation gas tax funds to cities.

e. Establishing regulations so that persons may engage in every phase of aeronautics with the least possible restriction consistent with safety and environmental concerns of others.

The department also provides staff assistance to the State Aeronautics Board which is responsible for determining the allocations of airport assistance funds and for the formulation of general policy relating to the aeronautical interests of the state.

The board consists of seven members appointed by the Governor with the consent of the Senate.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Aviation Systems and Facilities Development -----	11.3	13.4	13.4	\$1,785,967	\$2,891,220	\$3,325,376
II. Environment Protection -----	0.5	1	1	58,550	49,916	64,020
III. Aviation Safety Education -----	2.5	2.4	2.4	68,338	70,158	68,826
IV. Administration—distributed -----	8	8.1	8.1	(137,440)	(157,432)	(177,458)
TOTALS, PROGRAMS -----	22.3	24.9	24.9	\$1,912,855	\$3,011,294	\$3,458,222
Reimbursements -----				-4,627	-8,713	-11,953
NET TOTALS, PROGRAMS -----				\$1,908,228	\$3,002,581	\$3,446,269
Aeronautics Fund -----				452,207	2,914,081	2,974,061
Airport Assistance Revolving Fund -----				1,390,021	-	-
Harbors and Watercraft Revolving Fund -----				66,000	66,000	-
California Environmental Protection Program Fund -----				-	22,500	17,500
Federal funds -----				-	-	454,708

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

State Master Airport Plan

The State Master Airport Plan is being developed to provide a plan for airport development in California for the next 20 years. This plan will enable the state to coordinate local and regional airport plans with those for the remainder of the state so that there will be an effective overall system of airports.

The actual plan is being developed under contract with a private consultant with department staff providing overall coordination and supervision. Phase I of the plan was funded in 1968 with a \$160,000 appropriation from the Aeronautics Fund and a federal grant of \$300,000. Funding for Phase II, or the final phase, is proposed in 1971-72 at a cost of \$227,354 from the Aeronautics Fund and \$454,708 from federal funds.

Development of Recreation Airports and Training Flight Strips

The department has recently instigated a program pursuant to legislation enacted in 1970 to provide training flight strips for general aviation away from congested metropolitan airports. The department is endeavoring to obtain land from other state and

federal agencies for the development of these facilities. A total of \$150,000 has been allocated by the Aeronautics Board for runway construction costs at these facilities in the 1971-72 fiscal year.

Apportionments for Airport Assistance

This budget reflects the increase in the annual allocation to publicly owned airports pursuant to Chapter 1566, Statutes of 1970. Previously, the minimum allocation was \$2,500 for each airport. For 1970-71 and for 1971-72, the minimum allocation will be \$5,000 for each airport, representing a total allocation of \$800,000 in 1970-71 and \$850,000 in 1971-72.

Proposed New Positions

One new position has been administratively established in the current year and is proposed to be continued in 1971-72. This position is an environmental specialist which is required to assist the department in evaluating the environmental effects, including noise of new airports, before approving any new airport sites. It was funded by a special appropriation from the Environmental Protection Program Fund in 1970.

DEPARTMENT OF AERONAUTICS—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2	PERSONAL SERVICES						
3	Net salaries and wages -----	22.3	24.9	24.9	\$244,305	\$297,510	\$318,152
4	Staff benefits -----	-	-	-	24,574	29,720	34,623
5	Totals, Personal Services -----	22.3	24.9	24.9	\$268,879	\$327,230	\$352,775
6	OPERATING EXPENSES AND EQUIPMENT						
7	General expense -----				\$75,597	\$67,598	\$67,826
8	Travel -----				25,275	34,599	34,638
9	Facilities expense -----				18,136	17,350	20,550
10	Airplane operations -----				23,975	23,500	35,500
11	Contractual services -----				24,150	28,541	24,080
12	Equipment -----				52,348	6,963	10,813
13	Totals, Operating Expenses and Equipment -----				\$219,481	\$178,551	\$193,407
14	Totals, Expenditures -----				\$488,360	\$505,781	\$546,182
15	Reimbursements—other -----				-4,627	-8,713	-11,953
16	Totals, Net Expenditures -----				\$483,733	\$497,068	\$534,229
17	SPECIAL ITEMS OF EXPENSE						
18	State master airport plan -----				-	-	\$682,062
19	Navigational System—Chapter 700, Statutes of 1968 -----				\$200,000	\$200,000	-
20	Totals, Expenditures -----				\$683,733	\$697,068	\$1,216,291
21	Aeronautics Fund -----				452,207	608,568	744,083
22	Airport Assistance Revolving Fund -----				165,526	-	-
23	Harbors and Watercraft Revolving Fund -----				66,000	66,000	-
24	California Environmental Protection Program Fund -----				-	22,500	17,500
25	Federal funds -----				-	-	454,708
26	LOCAL ASSISTANCE						
27	Apportionments to cities, counties, airport districts, port dis-						
28	tricts, and University of California -----				\$413,200	\$800,000	\$850,000
29	Acquisition and development of airports -----				811,295	1,505,513	1,221,978
30	Development of recreation and training air strips -----				-	-	150,000
31	Emergency locator equipment -----				-	-	8,000
32	Totals, Expenditures -----				\$1,224,495	\$2,305,513	\$2,229,978
33	Aeronautics Fund -----				-	2,305,513	2,229,978
34	Airport Assistance Revolving Fund -----				1,224,495	-	-
35	APPROPRIATIONS						
36	Support, Item 171 (Aeronautics Fund) -----						\$516,729
37	Support, State Master Airport Plan, Item 172 (Aeronautics Fund) -----						227,354
38	Other:						
39	Support, Chapter 1293, Statutes of 1970 (California Environmental Protection Program Fund)						17,500
40	Local Assistance, Section 21680 of Public Utilities Code (Aeronautics Fund) -----						2,229,978
41	State Master Airport Plan (Federal funds) -----						454,708
42	REVENUES						
43	Miscellaneous (General Fund) -----				\$15,510	-	-

DEPARTMENT OF THE CALIFORNIA HIGHWAY PATROL

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of the California Highway Patrol is responsible for assuring the safe, lawful, rapid and economical use of the state highway and county road system. Over 5,800 uniformed officers are employed primarily for road patrol and traffic supervision. Other duties performed are vehicle safety inspection, school crossing guard supervision, enforcement of

commercial vehicle weight and safety regulations, and other activities relating to auto theft and accidents. The department provides the necessary professional and specialized training for its officers and cadets in addition to providing traffic law enforcement training assistance to many local law enforcement agencies.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Traffic Supervision and Services on the State Highway System --	4,811.7	4,846.6	5,012.5	\$83,186,066	\$91,228,044	\$97,214,386
II. Selective Deployment on the County Road System -----	586.4	693.6	718.9	9,995,560	12,891,845	13,748,037
III. Regulations and Inspection ----	1,327.6	1,359.8	1,430.9	16,824,781	18,319,982	19,502,126
IV. Records -----	169	180.8	187.5	2,281,991	2,577,821	2,632,187
V. Auto Theft -----	44	48.1	51.1	751,675	955,784	986,299
VI. Administration—Distributed to Other Programs -----	722.2	745.2	755.9	(11,144,831)	(11,880,629)	(12,313,708)
TOTALS, PROGRAMS -----	7,660.9	7,874.1	8,156.8	\$113,040,073	\$125,973,476	\$134,083,035
Reimbursements -----				-2,164,901	-2,201,000	-1,767,000
NET TOTALS, PROGRAMS (Motor Vehicle Fund) -----				\$110,875,172	\$123,772,476	\$132,316,035

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Continuing increases in vehicle miles driven on the state highway and county road systems under the jurisdiction of the California Highway Patrol result in increasing workloads in the areas of basic concern to the department. The equivalent of 145.8 man-years of uniformed personnel plus supporting nonuniformed field personnel will be added to the basic patrol functions represented by the activities in Program I, Traffic Supervision and Services on the State Highway System, and Program II, Selective Deployment on the County Road System. These positions include new traffic officers, additional overtime positions, and a transfer of 47 traffic officers from the Passenger Vehicle Inspection (PVI) Program. The transfer of these 47 traffic officer positions will result from the proposed substitution of 30 nonuniformed specialists for 30 traffic officers in addition to a 5 percent reduction in personnel assigned (17 traffic officer positions) to the PVI Program. In the PVI Program it is estimated that 14 percent of the registered passenger vehicles will be inspected in 1971-72.

The Motor Carrier Safety Program has proven to be successful in significantly reducing the number of unsafe vehicles operated by those carriers whose facilities and vehicles have been inspected. In order to inspect and provide necessary followup at all carrier

terminal facilities on an annual basis, the department proposes an increase of 23 nonuniformed carrier operations specialists which represents an increase of almost 50 percent in this staff.

The Conejo Inspection Facility and Scale is scheduled for completion during 1971-72 and is to operate 16 hours per day, 5 days per week. Seven uniformed positions and 11 nonuniformed positions are included in this budget for staffing of this facility.

Seven additional nonuniformed positions are included for the Motor Vehicle Pollution Control Program to meet workload increases caused by inspection and test procedures and an increase in the number of licensed stations. The Official Lamp and Brake Station Program is increased by seven additional nonuniformed positions. The workload in this program has been increased by the growth in the number of licensed lamp and brake adjusting stations.

Fees for certificates of compliance for smog control have been increased from \$0.10 to \$0.16, and those for lamp and brake inspection, free in the past, have been raised to \$0.16. These increases will result in a return to the state, which will cover the total cost of the administration of the Motor Vehicle Pollution Control Program, the Lamp Inspection Program, and the Brake Inspection Program.

DEPARTMENT OF THE CALIFORNIA HIGHWAY PATROL—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	PERSONAL SERVICES						
2	Net salaries and wages -----	7,660.9	7,874.1	8,156.8	\$72,726,773	\$80,619,321	\$84,238,719
3	Staff benefits -----	-	-	-	20,632,974	24,120,960	25,510,142
4	Totals, Personal Services -----	7,660.9	7,874.1	8,156.8	\$93,359,747	\$104,740,281	\$109,748,861
5	OPERATING EXPENSES AND EQUIPMENT						
6	General expense -----				\$4,484,110	\$4,976,271	\$5,164,387
7	Travel -----				592,749	623,175	630,765
8	Motor vehicle operation -----				6,329,051	6,956,888	7,296,506
9	Helicopter operation -----				264,322	297,668	296,600
10	Facilities expense -----				2,905,572	3,511,005	4,168,538
11	Subsistence and personal care -----				165,458	205,974	210,572
12	Contractual services -----				148,277	261,700	241,700
13	Early detection project -----				222,469	220,000	142,050
14	Equipment -----				4,568,318	4,150,514	6,083,056
15	Totals, Operating Expenses and Equipment -----				\$19,680,326	\$21,233,195	\$24,234,174
16	MINOR CAPITAL OUTLAY -----				-	-	\$100,000
17	Totals, Expenditures -----				\$113,040,073	\$125,973,476	\$134,083,035
18	Reimbursements:						
19	Federal -----				-559,243	-543,000	-154,000
20	Other -----				-1,605,658	-1,658,000	-1,613,000
21	Net Expenditures (Motor Vehicle Fund) -----				\$110,875,172	\$123,772,476	\$132,316,035
22	APPROPRIATIONS						
23	Support, Item 173 (Motor Vehicle Fund) -----						\$132,236,035
24	Prior year balance, Chapter 1015, Statutes of 1970 (Motor Vehicle Fund) -----						80,000
25	Support, Item 174, Contingency for Deficiencies (Motor Vehicle Fund) -----						(500,000)
26	Authorization for encumbering automobile purchases for preceding year, Section 21.3 (Motor Vehicle Fund) -----						(1,500,000)

SUMMARY—CAPITAL OUTLAY

ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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Department of the California Highway Patrol—Capital Outlay

Major projects -----	\$1,036,373	\$3,162,092	\$9,336,802
Minor projects -----	49,863	100,000	- *
Totals, Expenditures (Motor Vehicle Fund) -----	\$1,086,236	\$3,262,092	\$9,336,802

GENERAL ANALYSIS

The California Highway Patrol is a statewide law enforcement organization with the responsibility of providing adequate patrol of the highways at all times of the day and night to assure the safe, lawful, rapid and economical use of the highway system of the State of California. The department is headquartered in Sacramento and has field offices throughout the state. Its jurisdiction is principally limited to streets and highways outside of incorporated areas and all free-ways.

The 1971-72 budget request includes funds for construction of the new academy; for the acquisition of existing leased facilities at Westminster, Baldwin Park, Woodland, and Grass Valley; for construction of area office buildings at Redwood City and San Jose; for construction of resident post facilities at Baker, Mount Reba and Peddler Hill; for radio communications equipment and facilities; and for construction program planning.

APPROPRIATION

Capital outlay, Item 296 (Motor Vehicle Fund) -----	\$9,336,802
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* Minor capital outlay is reflected in the state operations budget beginning in 1971-72.

DEPARTMENT OF THE CALIFORNIA HIGHWAY PATROL—Continued

Vehicle Equipment Safety Commission

GENERAL ANALYSIS

The Vehicle Equipment Safety Commission is an interstate commission whose purpose is to promote uniformity in regulation of and standards for equipment of motor vehicles and to achieve desirable changes in equipment in the interest of traffic safety. The commission also advises the federal government in matters pertaining to vehicle equipment standards and regulations. It is composed of one representative

from each state that has enacted the Vehicle Equipment Safety Compact. The compact was adopted in California through Chapter 238, Statutes of 1963.

The Commissioner of the California Highway Patrol is the designated representative for California. Funds are provided for travel of state representatives to commission meetings and for the state's share for the support of the commission and staff.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Totals, Expenditures (<i>Motor Vehicle Transportation Tax Fund</i>)	\$8,585	\$8,835	\$10,107
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
OPERATING EXPENSES AND EQUIPMENT			
Membership in Commission -----	\$8,585	\$8,585	\$9,857
Travel -----	-	250	250
Totals, Operating Expenses and Equipment -----	\$8,585	\$8,835	\$10,107
Totals, Expenditures (<i>Motor Vehicle Transportation Tax Fund</i>) -----	\$8,585	\$8,835	\$10,107
APPROPRIATION			
Support, Item 175 (<i>Motor Vehicle Transportation Tax Fund</i>) -----			\$10,107

DEPARTMENT OF MOTOR VEHICLES

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Department of Motor Vehicles, in order to protect the public interest and promote public safety on highways, administers provisions of California statutes relating to (a) vehicle registration, titling, issuance of license plates, and collection of in-lieu property tax, (b) driver licensing and post-licensing control, (c) occupational licensing and regulation of persons and firms engaged in manufacture, transport-

ing, sales, and disposal of motor vehicles, (d) financial responsibility of drivers and owners of motor vehicles, and (e) additional services of California identification card issuance and undocumented vessel registration and fee collection. The department is also assigned the responsibility of administering the collection of use tax and additional motor vehicle license fees for rapid transit systems.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Vehicle Licensing and Titling--	2,703.4	2,941.7	3,092.7	\$29,438,752	\$34,122,298	\$36,047,059
II. Driver Licensing and Control----	2,911.1	2,771.7	2,713.7	30,221,136	31,913,588	31,517,115
III. Occupational Licensing and Regulation -----	226.9	251	255.4	2,713,909	3,064,759	3,248,643
IV. Security Following Accident Law	228.3	216.8	223.8	2,154,435	2,252,333	2,350,845
V. Department of Motor Vehicles						
Associated Services -----	30.7	61.2	69.6	300,803	597,809	777,309
VI. Administration--undistributed --	(7)	(7)	(7)	191,446	201,482	202,015
Administration--distributed to						
programs -----	301.5	301.5	307	(3,629,978)	(3,894,618)	(3,994,810)
TOTALS, PROGRAMS -----	6,401.9	6,543.9	6,662.2	\$65,020,481	\$72,152,269	\$74,142,986
Reimbursements:						
Federal -----				-218,516	-318,567	-
Other -----				-4,112,364	-4,671,233	-4,833,783
NET TOTALS, PROGRAMS -----				\$60,689,601	\$67,162,469	\$69,309,203
Motor Vehicle Fund -----				52,749,923	57,934,785	59,674,539
Motor Vehicle License Fee Fund -----				7,851,745	8,363,030	8,762,963
Harbors and Watercraft Revolving Fund -----				-	395,690	594,569
California Environmental Protection Program Fund -----				-	342,300	225,600
Driver Training Penalty Assessment Fund -----				87,933	126,664	51,532

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

It is estimated that the Department of Motor Vehicles will register and collect fees on 14,891,000 vehicles and maintain driver licenses outstanding of 12,522,000 including 860,000 original licenses and 2,720,000 renewal licenses during the budget year. These major workload indicators reflect an estimated 4.76 percent increase in vehicle registration and an estimated 4.58 percent increase in drivers licenses outstanding in the budget year over current year. The total undocumented vessels registered is estimated to be 536,000 in the budget year, an increase over current year of 5.3 percent. Vessel registration, previously valid for three years, will renew annually beginning January 1972.

To support these major workload changes, the man-year estimates for the current year and budget year have been developed to maintain the level of service authorized in the 1970-71 final budget. The net increase in the budget year over the current year is 118.3 man-years and \$2,146,734.

The department, in a major effort to develop a more scientific base for budget preparation, prepared the 1971-72 budget using engineered time standards as a basis for estimating personnel requirements. Analysis of engineered time standards and workload projections were used to determine staffing needs, organizationally and by program.

Adjustments were also made in both the current and budget years to provide for statutes passed during the 1970 legislative session. These included: (a) personalized license plate program authorized by Chapter 779, Statutes of 1970, to provide revenue for the California Environmental Protection Program Fund, (b) Chapter 766, Statutes of 1970, requiring a certificate of compliance for proper motor vehicle pollution control device upon registration or transfer of ownership and registration, (c) Chapter 1252, Statutes of 1970, requiring that application of ownership from other than vehicle manufacturers or dealers be accompanied by a certified statement of the name and address of the seller, (d) Chapter 1352, Statutes of 1970, authorizing establishment of a field office in the Simi Valley-Thousand Oaks area in Ventura County, (e) Chapter 1012, Statutes of 1970, requiring payment of a \$5 fee to the department before mandatory suspension or revocation of a person's driving privilege may be terminated, (f) Chapter 1290, Statutes of 1970, requiring all dealers, manufacturers and transporters of snowmobiles to obtain an occupational license, (g) Chapter 1381, Statutes of 1970, extending investigations on vehicle dismantler license applications to contacting local authorities to ascertain compliance with zoning ordinances, (h) Chapter 819, Statutes of 1970, which provides that it

DEPARTMENT OF MOTOR VEHICLES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

is unlawful for a licensed motor vehicle dealer, manufacturer or transporter to commit a fraudulent act in repairing or servicing a motor vehicle or parts or accessories thereof, and (i) Chapter 1300, Statutes of 1970, which in effect, provides for the permanent existence of the New Car Dealers Policy and Appeals Board.

With the completion of the driver record file conversion from manual to electronic data processing in June 1970, the department's automated management information system provides rapid access to individual driver or vehicle records 24 hours a day.

DEPARTMENT STATISTICS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
VEHICLE OWNERSHIP, REGISTRATION DOCUMENTATION AND CERTIFICATE ISSUANCE			
Vehicle Registration Processed:			
New vehicles -----	1,351,000	1,369,000	1,479,000
Nonresidents -----	462,000	460,000	479,000
Renewals -----	11,796,000	12,385,000	12,933,000
Subtotal -----	13,609,000	14,214,000	14,891,000
Other transactions -----	3,083,000	3,109,000	3,161,000
Subtotal -----	16,692,000	17,323,000	18,052,000
Exempt registration -----	195,776	203,200	211,800
Total -----	16,887,776	17,526,200	18,263,800
DRIVER'S LICENSE ISSUANCE			
Driver's licenses issued -----	4,471,000	4,527,000	4,151,000
Driver's licenses outstanding -----	11,476,000	11,974,000	12,522,000
POST LICENSING CONTROL			
Hearings, interviews and reexaminations -----	131,112	136,000	141,000
Warning letters sent (negligent operator) -----	121,264	125,800	130,400
Warning letters sent (failure to appear) -----	312,763	348,000	365,400
Licenses suspended, revoked, cancelled or driver placed on probation -----	176,126	182,700	189,400
Reinstatement of driving privilege -----	140,731	146,000	151,400
OCCUPATIONAL LICENSING			
Dealer, dismantler, manufacturer, transporter, licenses processed -----	17,600	18,000	18,400
Salesman licenses processed -----	58,100	59,300	60,600
Driving school licenses issued -----	50	60	50
Driving instructor licenses issued -----	860	1,000	1,200
Transfer of instructor license -----	250	260	280
OCCUPATIONAL REGULATION			
Complaints against licensees -----	9,464	13,680	17,870
Dealer and dismantler reviews -----	1,808	1,800	1,800
Administrative action against licensees (deny, restrict, revoke, or suspend application or privilege of occupational licenses) -----	2,395	2,450	2,500
REGISTRATION AND DRIVING PRIVILEGE CONTROL			
Accident reports processed -----	634,000	599,000	600,000
Drivers' licenses suspended -----	86,518	90,300	94,400
Reinstatements of driving privilege -----	52,921	55,250	57,800
UNDOCUMENTED VESSEL REGISTRATION AND FEE COLLECTION			
Registered vessels -----	483,000	509,000	536,000
Original registrations -----	42,000	45,600	49,300

DEPARTMENT OF MOTOR VEHICLES—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2	PERSONAL SERVICES						
3	Net salaries and wages -----	6,401.9	6,543.9	6,662.2	\$45,981,366	\$50,090,463	\$51,390,545
4	Staff benefits -----	-	-	-	5,179,270	5,852,700	6,171,197
5							
6	Totals, Personal Services -----	6,401.9	6,543.9	6,662.2	\$51,160,636	\$55,943,163	\$57,561,742
7	OPERATING EXPENSES AND EQUIPMENT						
8	General expense -----				\$9,389,404	\$11,019,197	\$11,490,322
9	Travel -----				350,846	502,504	508,287
10	Facilities expense -----				1,741,021	1,856,976	1,878,074
11	Contractual services -----				2,156,497	2,589,268	2,127,941
12	Equipment -----				222,077	241,161	511,620
13							
14	Totals, Operating Expenses and Equipment -----				\$13,859,845	\$16,209,106	\$16,516,244
15	MINOR CAPITAL OUTLAY -----						
16					-	-	\$65,000
17	Totals, Expenditures -----				\$65,020,481	\$72,152,269	\$74,142,986
18	Reimbursements:						
19	Federal -----				-218,516	-318,567	-
20	Other -----				-4,112,364	-4,671,233	-4,833,783
21							
22	Net Expenditures -----				\$60,689,601	\$67,162,469	\$69,309,203
23	Motor Vehicle Fund -----				52,749,923	57,934,785	59,674,539
24	Motor Vehicle License Fee Fund -----				7,851,745	8,363,030	8,762,963
25	Harbors and Watercraft Revolving Fund -----				-	395,690	594,569
26	California Environmental Protection Program Fund -----				-	342,300	225,600
27	Driver Training Penalty Assessment Fund -----				87,933	126,664	51,532
28							
29	APPROPRIATIONS						
30							
31	Support, Item 176 (Motor Vehicle Fund) -----						\$59,674,539
32	Support, Item 177 (Motor Vehicle License Fee Fund) -----						8,762,963
33	Support, Item 178 (Harbors and Watercraft Revolving Fund) -----						594,569
34	Support, Item 179 (California Environmental Protection Program Fund) -----						225,600
35	Other:						
36	Prior year balance (Driver Training Penalty Assessment Fund) -----						51,532
37	Payment of deficiencies, Item 180 (Motor Vehicle Fund) -----						(500,000)
38							

REVENUES					ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
44							
45							
46							
47							
48							
49	Motor Vehicle Fund -----				\$274,637,455	\$288,995,646	\$304,765,536
50	Motor Vehicle License Fee Fund -----				234,297,262	251,303,000	266,346,000
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DEPARTMENT OF MOTOR VEHICLES—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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Department of Motor Vehicles—Capital Outlay

Major projects -----	\$4,605,130	\$7,806,424	\$3,750,800
Minor projects -----	119,305	—	*
Totals, Expenditures (<i>Motor Vehicle Fund</i>) -----	\$4,724,435	\$7,806,424	\$3,750,800

GENERAL ANALYSIS

This service and tax collection agency, headquarters in Sacramento, functions through a network of field offices located in population centers throughout the state. The department will register and collect taxes and fees on 14,891,000 vehicles and issue approximately 4,151,000 drivers' licenses during the budget year. The 1971-72 fiscal year budget provides for construction of field offices in or near Hawthorne and Anaheim and expansion of the planned San Leandro

office to include service to Alameda. Acquisitions of land for new office buildings and parking facilities for the Bell, Redwood City, Santa Cruz, Modesto, and Santa Rosa areas are proposed. Land acquisition is also provided in the budget year for additional parking facilities at the San Francisco office and for the Inglewood wellsite. The budget includes funds for construction program planning.

APPROPRIATION

Capital outlay, Item 297 (<i>Motor Vehicle Fund</i>) -----	\$3,750,800
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* Minor capital outlay is reflected in the state operations budget beginning in 1971-72.

DEPARTMENT OF PUBLIC WORKS

Headquarters at Sacramento

GENERAL ANALYSIS

The Department of Public Works is responsible for planning, construction, and maintaining the state highway system, including the maintenance and operation of state-owned toll bridges. The department is also responsible for administering various state and federal programs for assisting in the construction and improvement of county roads, city streets, and railroad crossings. Other activities include highway research and development, traffic safety and air pollution research, and outdoor advertising control. The

department is organized into four basic divisions: bay toll crossings, highways, legal, and administration.

Pursuant to the Streets and Highways Code, the California Highway Commission selects and determines the locations of the approved highway routes and allocates the funds for construction, improvement, and maintenance of the state highway system. The commission consists of seven members appointed by the Governor with the advice and consent of the Senate. Commission members are appointed to four-year terms.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
I. Highway Program -----	\$1,006,054,960	\$915,278,666	\$848,795,931
II. Toll Bridge Program -----	24,048,075	20,892,100	20,146,310
III. Local Assistance Program -----	49,767,990	94,633,856	50,599,309
IV. Highway-Railroad Crossings Program -----	5,618,375	8,684,359	6,700,000
Subtotals -----	\$1,085,489,400	\$1,039,488,981	\$926,241,550
Revised revenue adjustment ^a -----	-	-	-20,000,000
TOTALS, PROGRAMS -----	\$1,085,489,400	\$1,039,488,981	\$906,241,550
State Highway Fund -----	1,069,537,560	1,027,008,981	893,047,540
State portion—Support -----	(111,951,326)	(123,590,590)	(126,029,013)
State portion—Local Assistance -----	(20,483,936)	(25,827,026)	(16,970,000)
State portion—Capital Outlay -----	(459,856,694)	(360,658,203)	(343,529,218)
San Francisco-Oakland Bay Bridge Toll Revenue Fund -----	1,047,350	368,390	-
San Francisco-Oakland Bay Bridge Construction Fund -----	22,860	-	-
Southern Crossing Planning and Design Fund -----	1,101,550	2,002,060	2,154,730
San Diego-Coronado Bridge Construction Fund -----	5,647,950	619,110	2,251,000
San Diego-Coronado Bridge—Special Deposit Fund -----	848,140	974,050	965,970
San Francisco Bay Bridges—Special Deposit Fund -----	4,764,740	5,345,120	4,607,520
Richmond-San Rafael Bridge—Special Deposit Fund -----	682,600	886,300	785,970
Carquinez Strait Bridges Construction Fund -----	-	50,000	-
Carquinez Strait Bridges—Special Deposit Fund -----	1,236,560	1,442,360	1,366,680
Vincent Thomas Bridges—Special Deposit Fund -----	427,840	494,510	525,570
Vincent Thomas Construction Fund -----	172,250	11,000	-
Future Bond Fund -----	-	287,100	536,570
Personnel man-years -----	18,402	18,750	18,600

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The 1971-72 budget contains \$635,814,000 for major construction and improvements, including rights-of-way and engineering. This will provide for the construction of nearly 165 miles of multilane freeways, the widening of 30 miles of existing freeways and the addition of 10 miles of auxiliary lanes aimed at improving freeway operational qualities. It will also construct about 21 miles of two-lane expressways and 40.5 miles of two-lane conventional highways, and construct or widen 6.5 miles of multilane conventional facilities.

In the area of highway construction, the department will continue the significant improvements which have been made in revising plans, policies, and procedures based on community and environmental factors consideration. Mixed discipline units charged specifically with responsibility for community and environmental factors have been developed within existing staffing levels to operate in all 11 highway districts and the department's headquarters staff. Each freeway route location study will consider potential air and noise pollution and will meet all requirements of the "Environmental Quality Act of 1970."

The total budget reflects a loss of \$85.2 million in federal aid for California highways, the largest part of which had been earmarked for construction projects on interstate system freeways.

There is also a shift of approximately \$37 million for highway construction to the 13 more densely populated southern counties from the 45 counties of the north. This shift was caused by recently passed legislation which changes the statutory formula for the allocation of state highway funds from 55 percent south-45 percent north to 60 percent south-40 percent north.

The Department of Public Works will continue its active program to reduce fatalities and accidents on the state highway system. Sixteen million dollars has been budgeted for projects programmed specifically to eliminate the most hazardous areas on the state highway system as shown on the newly completed statewide inventory of traffic hazards. A departmental goal has been established to realize an annual reduction of 83 fatalities and 3,125 accidents when all improvements are constructed.

^a At the time of the printing of the budget, this adjustment had not been considered by the State Highway Commission.

DEPARTMENT OF PUBLIC WORKS—Continued

LINE	SUMMARY BY OBJECT	PERSONNEL MAN-YEARS			ACTUAL	ESTIMATED	PROPOSED
		69-70	70-71	71-72	1969-70	1970-71	1971-72
1	STATE OPERATIONS						
2	PERSONAL SERVICES						
3	Net salaries and wages -----	6,503.4	7,021.4	7,196.6	\$59,586,467	\$65,519,259	\$67,280,218
4	Staff benefits -----	-	-	-	6,780,561	7,856,042	8,150,672
5							
6	Totals, Personal Services -----	6,503.4	7,021.4	7,196.6	\$66,367,028	\$73,375,301	\$75,430,890
7	OPERATING EXPENSES AND EQUIPMENT-----						
8	Reimbursements -----	(-351)	(-352)	(-352)	\$54,682,256	\$59,490,830	\$59,175,923
9	Less amounts included in other items -----	(-4)	(-16)	(-22)	-6,929,354	-7,564,546	-8,085,200
10					-760,830	-1,163,700	-492,600
11							
12	Totals, Expenditures -----				\$113,359,100	\$124,137,885	\$126,029,013
13	State Highway Fund -----				111,951,326	123,590,590	126,029,013
14	Other funds -----				1,407,774	547,295	-
15							
16	LOCAL ASSISTANCE						
17							
18	Local roads and highways -----				\$49,767,990	\$94,633,856	\$50,599,309
19	Grade crossing protection works -----				5,618,375	8,684,359	6,700,000
20	San Francisco-Oakland southern crossing -----				2,300,000	1,200,000	-
21	Dumbarton Bridge replacement study -----				60,480	640,000	1,000,000
22							
23	Totals, Expenditures -----				\$57,746,845	\$105,158,215	\$58,299,309
24	State Highway Fund -----				20,483,936	25,827,026	16,970,000
25	Federal funds ^a -----				27,489,587	74,682,726	37,130,000
26	County funds ^a -----				4,177,717	3,261,012	-
27	Other funds ^a -----				5,595,605	1,387,451	4,199,309
28							
29	APPROPRIATIONS						
30							
31	State operations, Section 183 of Streets and Highways Code						
32	(State Highway Fund) -----				-	-	\$125,819,013
33	State operations, Section 5323 of Business and Professions Code						
34	(State Highway Fund) -----				-	-	210,000
35	Local assistance, Item 181 (State Highway Fund) -----				-	-	1,000,000
36	Local assistance, Sections 1231.1 and 1231.2 of Public Utilities						
37	Code (State Highway Fund) -----				-	-	700,000
38	Local assistance, Section 190 of Streets and Highways Code						
39	(State Highway Fund) -----				-	-	5,000,000
40	Local assistance, Section 2210.5 of Streets and Highways Code						
41	(State Highway Fund) -----				-	-	4,270,000
42	Local assistance, Section 143.3 of Streets and Highways Code						
43	(State Highway Fund) -----				-	-	5,000,000
44	Other:						
45	Prior year balance available, Chapter 1341, Statutes of 1968						
46	(State Highway Fund) -----				-	-	1,000,000
47	Local assistance (federal funds) -----				-	-	37,130,000
48	Local assistance (other funds) -----				-	-	4,199,309
49							
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DIVISION OF HIGHWAYS

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2				
3	Department of Public Works—Capital Outlay			
4	TOTAL EXPENDITURES			
5	Reconditioning, Resurfacing, and Construction of State High-			
6	ways:			
7	Major construction and improvement -----	\$577,974,674	\$441,502,950	\$407,044,800
8	Thin blanket program and deferred seal coat -----	6,891,099	8,250,000	9,211,000
9	Emergency projects -----	343,990	750,000	400,000
10	Signs, delineation and traffic service -----	7,492,222	7,555,814	6,500,000
11	Traffic safety projects -----	9,562,414	16,195,535	16,000,000
12	Honor camp construction -----	1,375,431	2,190,000	1,540,000
13	Minor improvement and betterment -----	1,311,938	1,606,546	1,500,000
14	Preliminary Engineering:			
15	Preliminary engineering—planning -----	10,001,138	9,833,500	8,640,000
16	Preliminary engineering—design -----	48,766,764	53,002,262	52,050,000
17	Traffic engineering -----	6,044,538	5,010,000	4,920,000
18	Construction engineering -----	50,020,231	51,465,115	47,200,000
19	Highway planning -----	5,717,873	8,950,000	9,030,000
20	Rights-of-Way:			
21	Rights-of-way—acquisition -----	146,866,444	149,620,900	101,839,200
22	Rights-of-way—support -----	21,136,865	26,633,100	25,090,000
23	Highway planting -----	-	9,276,560	9,300,000
24	Contingencies -----	-	1,299	8,879,218
25	Functional or operational betterments -----	-	-	10,500,000
26	Safety roadside rests -----	-	-	4,075,000
27				
28	Totals, Reconditioning, Resurfacing and Construction of			
29	State Highways -----	\$893,505,621	\$791,843,581	\$723,719,218
30	Construction of Buildings:			
31	Land and buildings -----	\$4,925,994	\$5,869,300	\$5,000,000
32				
33	Subtotals, Expenditures -----	\$898,431,615	\$797,712,881	\$728,719,218
34	Revised revenue adjustment ^a -----	-	-	-20,000,000
35				
36	TOTAL EXPENDITURES AND OBLIGATIONS,			
37	STATE HIGHWAY FUND -----	\$898,431,615	\$797,712,881	\$708,719,218
38	State funds -----	459,856,694	360,655,203	343,529,218
39	Federal funds -----	427,062,241	433,388,025	365,190,000
40	Other funds -----	11,512,680	3,666,653	-
41				
42				
43	APPROPRIATION			
44				
45	Capital Outlay, continuing appropriation, Section 183, Streets and			
46	Highways Code (<i>State Highway Fund</i>) -----			\$343,529,218
47	Other:			
48	Expenditure (<i>Federal funds</i>) -----			365,190,000
49				

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

GENERAL ANALYSIS

In 1966, \$2,785,921 was appropriated as local assistance to the Southern California Rapid Transit District for planning the development of a rapid transit system in Los Angeles County. The availability of the funds appropriated in 1966 was extended by special legislation in 1969 and 1970. The balance of these funds is expected to be expended in the current fiscal year.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Southern California Rapid Transit District (<i>General Fund</i>) -----	\$354,000	\$273,921	-
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72

LOCAL ASSISTANCE

Southern California Rapid Transit District (<i>General Fund</i>) -----	\$354,000	\$273,921	-
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^a At the time of the printing of the budget this adjustment had not been considered by the State Highway Commission.





RESOURCES



RESOURCES

SPECIAL RESOURCES SERVICES AND STUDIES

GENERAL ANALYSIS

I. Tahoe Regional Planning Compact

Chapter 1589, Statutes of 1967, established the Tahoe Regional Planning Compact as a bistate agreement between Nevada and California. The compact has been approved by Congress.

The act requires adoption of both interim and comprehensive regional plans by the Tahoe Regional Planning Agency relative to effective environmental controls in the Lake Tahoe Basin.

Chapter 988, Statutes of 1968, made certain amendments to Chapter 1589, Statutes of 1967, and appropriated funds to carry out the purpose of the compact.

II. Protected Waterways Program

In the progress of our state's development, it is vital that those waterways possessed of such unusual scenic, fishery, wildlife or outdoor recreation values be conserved to the maximum practicable extent consistent with the development and uses of these and other resources in satisfying most effectively California's economic and social needs. This program will recommend a course of action whereby such waterways may be protected.

The California Protected Waterways Act (Chapter 1278 of the Statutes of 1968) authorizes and requires the Resources Agency to conduct this program and to submit its findings, conclusions and recommendations to the Governor and Legislature in January of 1971.

III. Powerplant Siting Program

Chapter 1299, Statutes of 1970 established policy in regard to siting of nuclear powerplants and the effects of such siting on the environment. Chapter 1299 also provided funds to support a program of research on underground siting of powerplants.

Chapter 1533, Statutes of 1970 provided for the development of a plan which would indicate the optimum location for all electric power generating plants expected to be constructed in the state over the next 20 years. The Resources Agency was given the responsibility for developing the plan and funds were appropriated for that purpose.

IV. Ventura-Los Angeles Mountain and Coastal Study Commission

Chapter 1556, Statutes of 1970 established the commission for the protection and advancement of the interests of present and future generations in the Ventura-Los Angeles coastal zone and region.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
I. Tahoe Regional Planning Compact -----	\$20,000	\$80,000	\$50,000
II. Protected Waterways Program -----	88,503	88,412	-
III. Powerplant Siting Program -----	-	250,000	100,000
IV. Ventura-Los Angeles Mountain and Coastal Study Commission -----	-	-	100,000
TOTALS, PROGRAMS -----	\$108,503	\$418,412	\$250,000
<i>General Fund</i> -----	<i>87,768</i>	<i>136,778</i>	<i>50,000</i>
<i>Fish and Game Preservation Fund</i> -----	<i>20,735</i>	<i>25,053</i>	-
<i>Harbors and Watercraft Revolving Fund</i> -----	-	<i>6,581</i>	-
<i>California Environmental Protection Program Fund</i> -----	-	<i>250,000</i>	<i>200,000</i>

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
SPECIAL ITEMS OF EXPENSE -----	\$108,503	\$418,412	\$250,000
<i>General Fund</i> -----	<i>87,768</i>	<i>136,778</i>	<i>50,000</i>
<i>Fish and Game Preservation Fund</i> -----	<i>20,735</i>	<i>25,053</i>	-
<i>Harbors and Watercraft Revolving Fund</i> -----	-	<i>6,581</i>	-
<i>California Environmental Protection Program Fund</i> -----	-	<i>250,000</i>	<i>200,000</i>

APPROPRIATIONS			
Tahoe Regional Planning Compact, Item 182 (<i>General Fund</i>) -----			\$50,000
Other:			
Chapter 1533, Statutes of 1970 (<i>California Environmental Protection Program Fund</i>) -----			100,000
Chapter 1556, Statutes of 1970 (<i>California Environmental Protection Program Fund</i>) -----			100,000

REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
California Environmental Protection Program Fund -----	-	\$1,280,000	\$1,725,000

AIR RESOURCES BOARD

Headquarters Office at Sacramento

GENERAL ANALYSIS

The Air Resources Board is the air pollution control agency of the state. The board is responsible for the control of motor vehicle emissions and for a coordinated state and local program of air pollution control which will provide an atmosphere that meets air quality standards.

The board sets air quality standards; maintains a surveillance of air quality and a statewide inventory of sources of air pollution; adopts standards and test procedures for emissions from motor vehicles; approves motor vehicle emission control systems; and maintains surveillance over the effectiveness of motor

vehicle emission control systems, in public use. The board also reviews the regulations and programs of local agencies for the control of nonvehicular sources of air pollution, and sets and enforces regulations where local agencies fail to do so. Assistance is provided to local agencies in the control of air pollution.

The administrative staff and a technical staff are located in Sacramento. The Air Resources Board laboratory in Los Angeles tests motor vehicle emissions; approves motor vehicle emission control systems; establishes motor vehicle test procedures; and conducts studies on photochemical air pollution.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Air Pollution Control -----	122.7	183	217	\$2,744,534	\$8,130,705	\$7,199,601
Reimbursements -----				-887,947	-1,593,910	-800,000
NET TOTALS, PROGRAM -----				\$1,856,587	\$6,536,795	\$6,399,601
General Fund -----				681,108	80,000	-
Motor Vehicle Fund -----				1,175,479	5,836,795	6,089,601
California Environmental Protection Program Fund -----				-	620,000	310,000

HIGHLIGHTS OF WORKLOAD CHANGES

The 1970 Legislature directed the Air Resources Board to initiate a number of new programs in fiscal year 1970-71 which will be reaching full effectiveness in fiscal year 1971-72.

Open Burning

The board will prepare and revise guidelines for the control of agricultural burning to reduce smoke pollution in agricultural areas. The plans of each county for phasing out open burning at public dumps will be under development and review.

Air Monitoring

The expanded state air monitoring program equipped in fiscal year 1970-71 will be placed into operation, increasing the state network from 19 stations to 35.

Coordination of Local Air Pollution Control Districts

In each basin the local air pollution control districts will form a coordinating council to establish a basin-wide air pollution control plan, which will be approved by the board. Each district will then prepare a plan for implementation of the basin plan. If the board finds that a plan (basin or district) will not reach the state air quality standards, the board may formulate a plan for that area.

Rules and Regulations

All rules and regulations of local air pollution control districts will be reviewed by the board. The board may repeal a local regulation which it finds inadequate to meet the state's air quality standards, and substitute a regulation it deems necessary.

Research

The board will administer a \$9,000,000, three-year program of applied research into the effects and control of air pollution. Approximately \$3,000,000 per year will be used to support research projects selected by special screening committees from applications submitted by research organizations. Research supported by the board will be coordinated with other on-going research.

Federal Requirements

Federal laws require that the state prepare implementation plans for achieving the air quality standards within a reasonable period of time. Under these laws, the state must develop and maintain a capability of statewide air quality surveillance, statewide source inventories, and the authority to take corrective action against any source of air pollution. These requirements make it necessary for the Air Resources Board to increase its capabilities in measurement of contaminants, source testing, and enforcement.

AIR RESOURCES BOARD—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2	PERSONAL SERVICES						
3	Net salaries and wages -----	122.7	183	217	\$1,430,814	\$1,992,747	\$2,597,120
4	Staff benefits -----	-	-	-	161,400	202,431	294,491
5	Totals, Personal Services a -----	122.7	183	217	\$1,592,214	\$2,195,178	\$2,891,611
6	OPERATING EXPENSES AND EQUIPMENT						
7	General expense -----				\$132,796	\$171,030	\$225,572
8	Travel -----				81,979	108,299	119,800
9	Facilities expense -----				55,092	61,821	104,741
10	Laboratory supplies and services -----				104,540	161,190	170,861
11	Contractual services -----				413,130	4,777,690	3,307,016
12	Equipment -----				364,783	655,497	380,000
13	Totals, Operating Expenses and Equipment -----				\$1,152,320	\$5,935,527	\$4,307,990
14	Totals, Expenditures -----				\$2,744,534	\$8,130,705	\$7,199,601
15	Reimbursements -----				-887,947	-1,593,910	-800,000
16	Net Expenditures -----				\$1,856,587	\$6,536,795	\$6,399,601
17	General Fund -----				681,108	80,000	-
18	Motor Vehicle Fund -----				1,175,479	5,836,795	6,089,601
19	California Environmental Protection Program Fund -----				-	620,000	310,000
20	APPROPRIATIONS						
21	State operations, Item 183 (Motor Vehicle Fund) -----						\$3,569,601
22	Other :						
23	State operations, Chapter 1599, Statutes of 1970 (Motor Vehicle Fund) -----						2,520,000
24	State operations, Chapter 1599, Statutes of 1970 (California Environmental Protection Program Fund) -----						310,000
25	REVENUES						
26	General Fund -----				\$30	-	-
27	SUMMARY—CAPITAL OUTLAY						
28					ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72

Air Resources Board—Capital Outlay

Major projects (Motor Vehicle Fund) ----- \$182,639 \$1,592,419

GENERAL ANALYSIS

The Air Resources Board is responsible for providing a coordinated statewide air pollution control effort in California. The board's activities include the evaluation of air quality; establishing air quality standards; establishing vehicle emissions standards; and certification of vehicle emissions control systems.

The 1969-70 budget provided for acquisition of a 2-acre site in El Monte and working drawings. The 1970-71 budget provided funds for equipping and constructing a one-story tilt-up of precast concrete covering approximately 43,000 square feet. No capital outlay funds are contemplated for 1971-72.

a Includes federally reimbursed positions (see budget supplement).

CALIFORNIA ADVISORY COMMITTEE

GENERAL ANALYSIS

The committee advises interstate commission members and the Legislature on regional water planning matters.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Continuing program costs (<i>General Fund</i>)	\$2,982	\$6,000	\$6,240
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
Operating expenses (<i>General Fund</i>)	\$2,982	\$6,000	\$6,240
APPROPRIATION			
Support, Item 184 (<i>General Fund</i>)			\$6,240

CALIFORNIA-NEVADA INTERSTATE COMPACT COMMISSION

GENERAL ANALYSIS

The California-Nevada Interstate Compact Commission works with its counterpart Nevada Commission, with federal agencies, and with legislative and congressional groups to obtain final approval of the California-Nevada Interstate Compact. This com-

mission will allocate the use of the interstate streams, the Truckee, Carson and Walker Rivers. When final approval of the Compact is obtained, the Commission will be terminated.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
I. California-Nevada Interstate Compact Commission (<i>General Fund</i>)	\$11,632	\$26,650	\$27,500

HIGHLIGHTS OF PROGRAM

The California-Nevada Interstate Compact has been ratified by each of the States of California and Nevada, and must obtain the consent of the Congress before it becomes effective. The program of the California-Nevada Interstate Compact Commission for fiscal year 1971-72 is aimed at securing congressional consent.

Intensive negotiations will be held between the California and Nevada commissions and federal agencies beginning in early 1971, for the purpose of resolving federal objections to some provisions of the

compact. These negotiations are expected to continue through most of 1971 followed by submission of the compact to the Congress.

It is anticipated that in the spring of 1972 a consent bill will be considered by various congressional committees. At this time the Commission will be called upon to provide assistance to these committees in the form of reports and testimony. Final congressional approval of the compact will be sought prior to the latter part of 1972, when the commission is terminated.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
OPERATING EXPENSES AND EQUIPMENT			
Travel	\$503	\$8,350	\$8,250
Contractual services	11,129	19,300	19,250
Totals, Operating Expenses and Equipment	\$11,632	\$27,650	\$27,500
Totals, Expenditures	\$11,632	\$27,650	\$27,500
Reimbursements	-	-1,000	-
Totals, Expenditures (<i>General Fund</i>)	\$11,632	\$26,650	\$27,500
APPROPRIATION			
Support, Item 185 (<i>General Fund</i>)			\$27,500

COLORADO RIVER BOARD

Headquarters Office at Los Angeles

GENERAL ANALYSIS

The Colorado River Board was established to protect and enhance California's rights and interests in the water and power resources of the Colorado River. This is accomplished through investigations, negotiations with the other basin states and federal agencies, seeking favorable federal legislation and administrative decrees, and, if necessary, through litigation. Activities include analyses of the engineering, legal, and policy matters concerning the water and power resources of the seven Colorado River Basin states: Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming. The board develops a single position among the agencies having established water and power rights on the Colorado River. The board

also collaborates with other California agencies, primarily the Department of Water Resources, State Water Resources Control Board, Department of Fish and Game, and Attorney General in all matters requiring a coordinated position. The board is composed of six members appointed by the Governor, each from one of the public agencies having rights to the use of water or power from the Colorado River. These agencies are: Palo Verde Irrigation District, Imperial Irrigation District, Coachella Valley County Water District, The Metropolitan Water District of Southern California, San Diego County Water Authority, and City of Los Angeles Department of Water and Power.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Protection of California's Colorado River Rights and Interests -----	17.2	13.5	13.6	\$293,645	\$260,105	\$265,304
TOTALS, PROGRAM -----	17.2	13.5	13.6	\$293,645	\$260,105	\$265,304
Reimbursements -----				-	-4,450	-107,500
NET TOTALS, PROGRAM (General Fund) -----				\$293,645	\$255,655	\$157,804

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Fulfillment of the board's functions and obligations is a continuing program. It is subject to, and must react promptly to, the actions of other states or federal agencies, which cannot be foreseen and may affect California's Colorado River rights and interests. The major objectives of the present program are to maintain salinity in the Lower Colorado River at or near present levels as outlined in the board's August 1970 report entitled "Need for Controlling Salinity of the Colorado River"; obtain a settlement in the long-standing problem of determination of present perfected water rights pursuant to the Supreme Court decree in *Arizona v. California*; implement the California policy on the Bureau of Reclamation's Lower Colorado River Management Program and associated environmental aspects; work with the federal government and other states on settlement of Mexican

Water Treaty problems, particularly in regard to salinity; analyze river operations for compliance with the June 1970 Operating Criteria for Colorado River Reservoirs and other rules and regulations; define projects and proposals which have as their objective the conservation of water and the augmentation of water supply of the Colorado River Basin; and work toward settlement of the various water and power disputes in the basin without recourse to major Colorado River litigation. The board will maintain essentially the same level of service as in fiscal year 1970-71. The General Fund reduction will be offset through increased reimbursements received from the above named agencies. This adjustment will more accurately reflect the board's role of protecting the rights and interests of the state, its agencies, and citizens in the Colorado River.

COLORADO RIVER BOARD—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued						
2	STATE OPERATIONS						
3	PERSONAL SERVICES						
4	Net salaries and wages -----	17.2	13.5	13.6	\$220,793	\$202,960	\$204,754
5	Staff benefits -----	-	-	-	20,700	18,963	19,700
6	Totals, Personal Services -----	17.2	13.5	13.6	\$241,493	\$221,923	\$224,454
7	OPERATING EXPENSES AND EQUIPMENT						
8	General expense -----				\$15,276	\$10,482	\$10,650
9	Travel -----				12,656	12,800	13,400
10	Facilities expense -----				20,986	14,700	15,600
11	Equipment -----				3,234	200	1,200
12	Totals, Operating Expenses and Equipment -----				\$52,152	\$38,182	\$40,850
13	Totals, Expenditures -----				\$293,645	\$260,105	\$265,304
14	Reimbursements -----				-	-4,450	-107,500
15	Totals, Expenditures (General Fund) -----				\$293,645	\$255,655	\$157,804
16	APPROPRIATION						
17	Support, Item 186 (General Fund) -----						\$157,804
18	REVENUES						
19	General Fund -----				\$32	-	-

DEPARTMENT OF CONSERVATION

Headquarters Office at Sacramento

GENERAL ANALYSIS

The department's principal goals are the protection, conservation, and development of California's natural assets—its forests (both commercial timber and wild-land), watersheds and rangelands, its mineral deposits, and its soil resources. Protection of life, property and resource values from fire and geologic hazards is stressed.

The Watershed and Fire Protection Program is managed by the Division of Forestry and the Division of Soil Conservation. The program's objective is to protect the private- and state-owned watershed lands from fire, insects, disease and misuse by man. The protection of forest, brush and grass wildlands from long-term damage and the achievement of a more intensive and better use of the land and water resources is basic to the continued economic and social utiliza-

tion of these limited natural resources.

The Geologic Hazards and Mineral Resources Conservation Program is managed by the Division of Mines and Geology. The program objective is to conduct geological investigations to identify and provide timely delineation of geological hazards and to identify, delineate and assist in the ultimate utilization of deposits of mineral raw materials, both onshore and offshore, consistent with wise conservation practices.

The Oil, Gas, and Geothermal Protection Program is managed by the Division of Oil and Gas. The program objective is to prevent waste or damage to the immediate environment and other natural resources, provide for greater ultimate recovery of oil, gas, and geothermal resources, and prevent contamination of fresh waters penetrated by wells.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Watershed and Fire Protection	3,412.2	3,439.4	3,396.8	\$51,062,888	\$54,845,922	\$52,165,896
II. Geologic Hazards and Mineral Resources Conservation	80.2	78.2	76	1,553,182	1,665,482	1,612,540
III. Oil, Gas, and Geothermal Protection	87.3	92.1	91.6	1,300,085	1,447,260	1,558,252
IV. General Support—distributed to programs	(277.7)	(258.2)	(255.9)	(4,350,222)	(4,267,350)	(4,266,672)
TOTALS, PROGRAMS	3,579.7	3,609.7	3,564.4	\$53,916,155	\$57,958,664	\$55,336,688
Reimbursements				-9,309,725	-11,102,403	-11,243,423
NET TOTALS, PROGRAMS				\$44,606,430	\$46,856,261	\$44,093,265
General Fund				43,308,081	45,425,617	42,551,629
Petroleum and Gas Fund				1,167,528	1,288,321	1,393,997
Petroleum and Gas Fund—Geothermal Resources Account				12,600	15,750	15,750
Subsidence Abatement Fund				118,221	126,573	131,889

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

I. Watershed and Fire Protection----- -\$656,206

During 1970-71, organizational changes were implemented which will result in a budget-year savings of \$1,005,172 and 74.5 man-years. These changes include (1) closure of the Forestry District III headquarters office in Sacramento, (2) consolidation of 10 ranger unit headquarters into five, and (3) elimination of 33 assistant conservation camp superintendents and 19 fire crew foremen. Relocation of 340 inmates in 1971-72 will permit closure of five conservation camps at a savings of 10 man-years and \$250,265.

It is proposed in 1971-72 to utilize a portion of the above savings, \$599,231 and 52.1 man-years, to

strengthen the fire control element. This will be accomplished by (1) improving the dispatch command and control system through implementation of Phase I recommendations of the legislatively authorized dispatch automation feasibility study, and (2) provide improved staffing at the department's air attack bases.

III. Oil, Gas and Geothermal Protection----- \$72,650

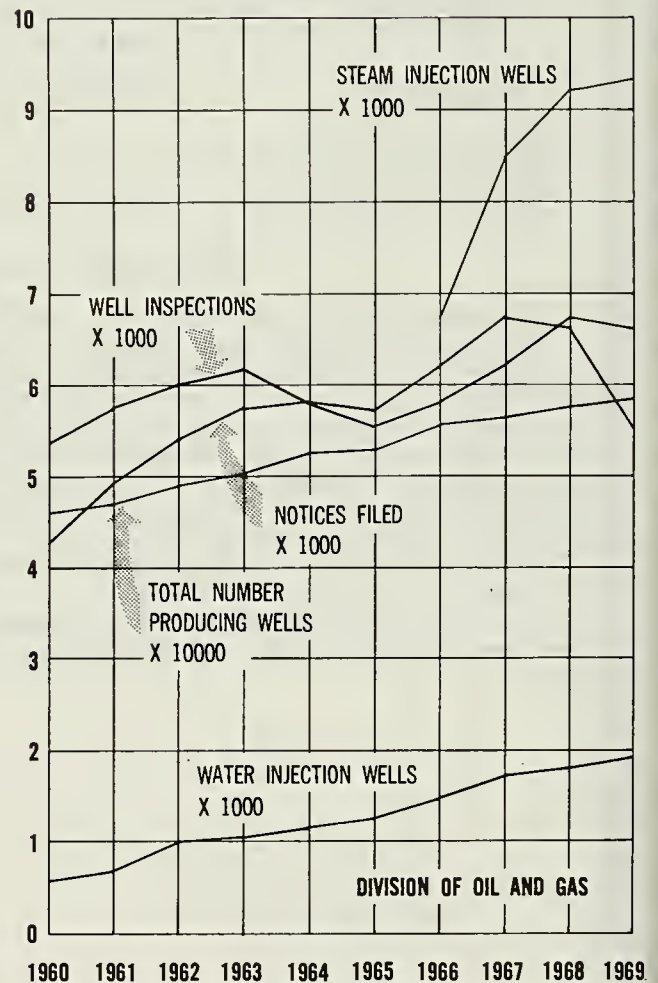
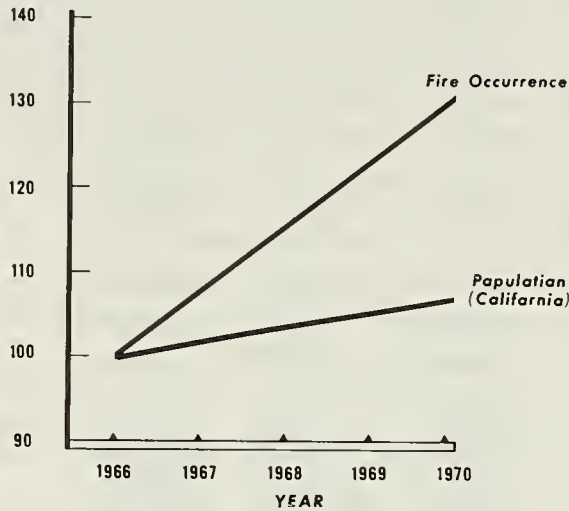
It is proposed in 1971-72 to improve operational effectiveness and avoid future personnel increases by (1) automating the process of compiling well production reports, (2) converting the conventional record-keeping system to microfilm, and (3) installing mobile radios in six of the field engineers' automobiles.

DEPARTMENT OF CONSERVATION—Continued

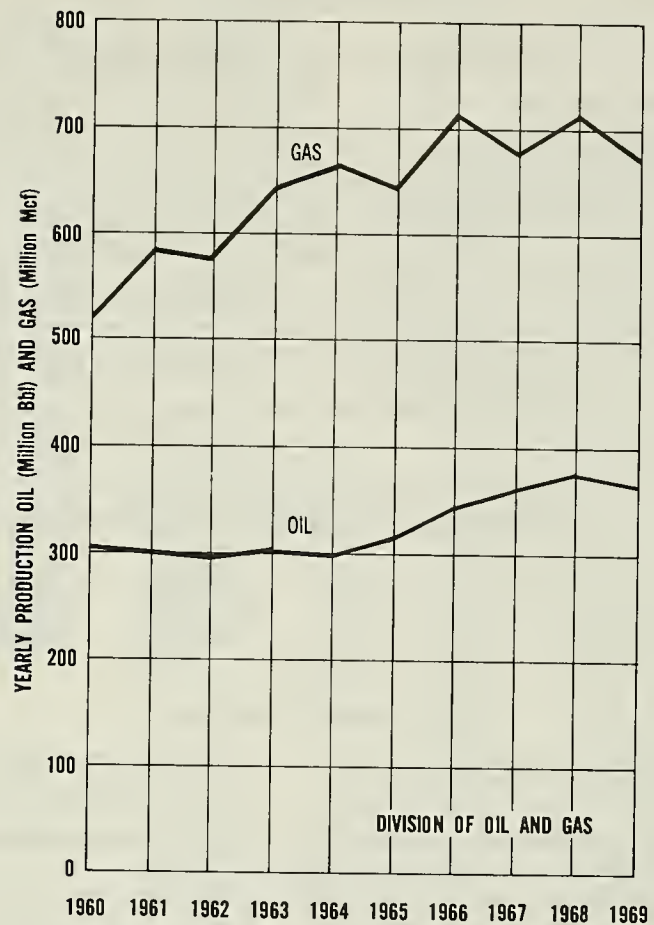
Department of Conservation
5 YEAR COMPARATIVE CHANGE

FIRE OCCURRENCE and POPULATION
 INDEXED TO 1966

PERCENT



DEPARTMENT OF CONSERVATION—Continued



RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	3,579.7	3,609.7	3,564.4	\$32,205,111	\$34,657,393	\$34,047,370
Staff benefits -----	-	-	-	4,004,232	4,507,992	4,555,650
Totals, Personal Services -----	3,579.7	3,609.7	3,564.4	\$36,209,343	\$39,165,385	\$38,603,020
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$3,822,418	\$3,915,561	\$4,291,413
Travel -----				2,474,355	2,488,562	2,721,966
Subsistence and personal care -----				589,790	604,177	644,753
Facilities expense -----				1,420,817	1,478,423	1,542,543
Contractual services -----				621,987	489,150	551,132
Equipment -----				2,373,464	1,868,568	1,941,883
Totals, Operating Expenses and Equipment -----				\$11,302,831	\$10,844,441	\$11,693,690
EMERGENCY FIRE SUPPRESSION AND DETECTION -----				1,954,686	3,338,000	200,000
FIRE PROTECTION CONTRACT—COUNTIES -----				2,787,584	2,913,253	2,930,304
FIRE PROTECTION CONTRACT—U.S. FOREST SERVICE -----				1,661,711	1,697,585	1,709,674
MINOR CAPITAL OUTLAY -----				-	-	200,000
Totals, Expenditures -----				\$53,916,155	\$57,958,664	\$55,336,688
Reimbursements -----				-9,309,725	-11,102,403	-11,243,423
Total Expenditures, State Operations -----				\$44,606,430	\$46,856,261	\$44,093,265
General Fund -----				43,308,081	45,425,617	42,551,629
Petroleum and Gas Fund -----				1,167,528	1,288,321	1,393,997
Petroleum and Gas Fund—Geothermal Resources Account -----				12,600	15,750	15,750
Subsidence Abatement Fund -----				118,221	126,573	131,889

DEPARTMENT OF CONSERVATION—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	APPROPRIATIONS			
2				
3	State operations, Item 187 (<i>General Fund</i>)-----			\$42,551,629
4	State operations, Item 188 (<i>Petroleum and Gas Fund</i>)-----			1,393,997
5	State operations, Item 189 (<i>Petroleum and Gas Fund—Geother-</i>			
6	<i>mal Resources Account</i>)-----			15,750
7	State operations, Item 190 (<i>Subsidence Abatement Fund</i>)-----			131,889
8				
9				
10				
11	REVENUES	ACTUAL	ESTIMATED	PROPOSED
12		1969-70	1970-71	1971-72
13				
14	General Fund -----	\$3,432,602	\$3,247,648	\$3,926,088
15				
16				
17				
18				
19				
20	SUMMARY—CAPITAL OUTLAY	ACTUAL	ESTIMATED	PROPOSED
21		1969-70	1970-71	1971-72
22				
23				
24	Department of Conservation—Capital Outlay			
25				
26	Major Projects -----	\$550,840	\$240,240	-
27	Minor Projects -----	633,094	335,390	- *
28				
29	Total Expenditures, Capital Outlay -----	\$1,183,934	\$575,630	-
30	General Fund -----	1,103,141	575,630	-
31	State Construction Program Fund -----	80,793	-	-
32				
33				
34				
35				

GENERAL ANALYSIS

The Division of Forestry is charged with the protection of over 38,000,000 acres of state and private lands having statewide interest with regard to timber production, rangeland, recreational use and watershed value. Direct fire protection is provided for approximately 28,000,000 of the above acres as well as protection of about 5,390,000 additional acres of rural agricultural land under contract with 25 counties which provide for reimbursement of costs.

The Division of Forestry's construction needs are governed by the authorized level of personnel and equipment. At the present time, the division operates 235 forest fire stations, 78 lookouts, and 13 primary air attack bases. The division maintains 23 ranger unit headquarters, five district headquarters, 28 conservation camps, a headquarters nursery at Davis along with two branch nurseries, equipment shops,

eight state forests and numerous radio repeater sites. In addition, the division is responsible for maintenance of 961 miles of telephone lines, 3,846 miles of fire access roads, 95 bridges, and eight miles of powerlines.

The Division of Forestry constructs and maintains forestry conservation camps for the use of the Department of Corrections and Department of Youth Authority. Inmates living in these special camps engage in conservation work projects such as fire hazard reduction, construction and maintenance of fire access roads and trails, as well as stream clearance and other projects beneficial to the enhancement and management of natural resources. The inmate capacities of these camps are reflected in the capacity figures for the respective departments.

* Minor Capital Outlay is reflected in the state operations budget beginning in 1971-72.

STATE LANDS DIVISION

Headquarters Office at Los Angeles

GENERAL ANALYSIS

The division will continue its activities in maintaining and administering over four million acres of state-owned tide and submerged lands and state school lands under the jurisdiction of the State Lands Commission. Primary objectives are:

a. Development of a comprehensive land use plan encouraging compatible multiuse development of lands while conserving, preserving and protecting irreplaceable resources.

b. Location of the precise boundaries of ocean tidal, submerged and school land areas.

c. Surveillance necessary for effective management of the land.

d. Maintenance of records on the acquisition and disposition of the lands and on uses of the lands, and

preparation of an environmental inventory of the lands.

These objectives are reached through the activities of a professional staff of engineers, geologists, surveyors, and land agents. Work is carried on under a system of priorities which considers all public benefits to be achieved including navigation, fishing, recreation, wildlife, commerce and potential production of revenue. Land use is coordinated with state, federal and local agencies. Nearshore tide and submerged lands are in the greatest demand by the private sector and by those seeking areas for both active and passive public uses and as such will receive the highest level of attention.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Land use -----	105.4	105.2	91.3	\$1,947,370	\$2,116,956	\$2,027,258
II. Ownership determination -----	28.7	28.4	22.2	619,077	646,108	503,500
III. Land information system -----	7.9	7.9	6.3	121,566	106,529	93,375
IV. Administration—distributed to other programs -----	29.7	29.6	29.4	(398,095)	(390,437)	(392,705)
TOTALS, PROGRAMS -----	171.7	171.1	149.2	\$2,688,013	\$2,869,593	\$2,624,133
Reimbursements -----				-962,467	-1,109,153	-1,053,333
NET TOTALS, PROGRAMS -----				\$1,725,546	\$1,760,440	\$1,570,800
General Fund -----				1,725,546	1,760,440	1,520,800
California Environmental Protection Program Fund -----				-	-	50,000

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	171.7	171.1	149.2	\$1,962,613	\$2,099,293	\$1,893,580
Staff benefits -----	-	-	-	236,461	217,726	208,294
Totals, Personal Services -----	171.7	171.1	149.2	\$2,199,074	\$2,317,019	\$2,101,874
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$105,815	\$112,639	\$86,092
Travel -----				93,764	90,435	79,243
Facilities expense -----				119,012	130,939	120,602
Contractual services -----				151,837	180,584	182,600
Equipment -----				18,511	7,977	3,722
Totals, Operating Expenses and Equipment -----				\$488,939	\$522,574	\$472,259
Totals, Expenditures -----				\$2,688,013	\$2,839,593	\$2,574,133
Reimbursements -----				-962,467	-1,109,153	-1,053,333
Net Expenditures -----				\$1,725,546	\$1,730,440	\$1,520,800
SPECIAL ITEMS OF EXPENSE						
Title searches of Lake Tahoe shore -----				-	30,000	-
State Land Environmental Study -----				-	-	\$50,000
Totals, Expenditures -----				\$1,725,546	\$1,760,440	\$1,570,800
General Fund -----				1,725,546	1,760,440	1,520,800
California Environmental Protection Program Fund -----				-	-	50,000

APPROPRIATION

Support, Item 191 (General Fund) -----	\$1,520,800
Other:	
Prior year balance available, Chapter 1555, Statutes of 1970 (California Environmental Protection Program) -----	50,000

STATE LANDS DIVISION—Continued

LINE	REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2	General Fund -----	\$3,110,584	\$2,349,070	\$2,130,800
3	Central Valley Water Project Construction Fund -----	16,000,000	27,121,930	32,000,000
4	State Water Quality Control Fund -----	2,000,000	2,000,000	-
5	Capital Outlay Fund for Public Higher Education -----	22,812,920	-	3,826,200
6				
7	Totals, Revenues -----	\$43,923,504	\$31,471,000	\$37,957,000
8				
9				
10	SUMMARY—CAPITAL OUTLAY	ACTUAL	ESTIMATED	PROPOSED
11		1969-70	1970-71	1971-72
12				

State Lands Division—Capital Outlay

17	Minor Projects -----	-	\$50,000	-
18				
19	Totals, Expenditures (General Fund) -----	-	\$50,000	-
20				

GENERAL ANALYSIS

The State Lands Division administers policies established by the Legislature and the State Lands Commission in managing the lands belonging to the state. These consist of school lands, swamp and overflow lands, lands underlying navigable rivers and lakes,

and other sovereign lands.

Funds have been appropriated in the past years to remove beach and underwater obstructions from state-owned tidelands and submerged lands near Summerland, Santa Barbara County.

DEPARTMENT OF FISH AND GAME

Headquarters Office at Sacramento

GENERAL ANALYSIS

The program objectives of the Department of Fish and Game are:

1. To maintain all species of fish and wildlife for their intrinsic and ecological values as well as for their direct benefits to man.

2. To provide for diversified recreational use of fish and wildlife.

3. To provide for an economic contribution of fish and wildlife in the best interests of the people of the state.

4. To provide for scientific and educational use of fish and wildlife.

General policy direction is provided by the Fish

and Game Commission which also regulates the taking of fish and game under delegation of legislative authority.

The department is a special fund agency financed through the Fish and Game Preservation Fund. This fund is supported by revenue from the sale of hunting and fishing licenses, commercial fish taxes, grants of federal funds, reimbursements from other government agencies, and court fines. A separate privilege tax on marine species is also received in this fund and maintained in a separate account for expenditure by the Marine Research Committee for the development of commercial fisheries.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Enforcement of Laws and Regulations	339.5	350.6	351.5	\$6,259,913	\$6,778,464	\$6,927,706
II. Wildlife	222.8	228.9	224.3	4,004,373	4,189,189	4,348,889
III. Inland Fisheries	235.9	226.2	230.3	4,115,563	3,952,116	4,454,406
IV. Anadromous Fisheries	148.9	182.3	166.8	2,019,152	2,657,584	2,643,228
V. Marine Resources	145.3	155.6	161.1	2,228,436	2,708,027	2,878,573
VI. Water Projects and Water Quality	98.9	70.5	62.8	1,530,305	1,733,173	1,700,376
VII. Administration	89.7	93.5	93.5	(1,743,816)	(1,833,421)	(1,958,076)
TOTALS, PROGRAMS	1,281	1,307.6	1,290.3	\$20,157,742	\$22,018,553	\$22,953,178
Reimbursements				-2,125,038	-2,320,722	-1,967,260
NET TOTALS, PROGRAM				\$18,032,704	\$19,697,831	\$20,985,918
Fish and Game Preservation Fund				15,738,483	17,389,806	17,922,843
Fish and Game Preservation Fund—Marine Research Committee Account				56,995	120,200	227,400
Federal funds				2,237,226	2,187,825	2,835,675

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Changes are proposed in this budget to operate new facilities, meet the requirements of new legislation, and provide for mandatory workload increases. The Inland Fisheries Program includes an increase of \$232,000 for equipping, operating and staffing the warmwater hatchery at Niland. Construction is to be completed in the current fiscal year, and the hatchery will be operational for the first time in 1971-72. A half man-year is proposed for the expansion of the Kern River Hatchery. Efforts to increase the size of hatchery raised salmon for the purpose of obtaining a better return on the salmon resource requires a \$25,000 increase in fish-food. An additional position is also proposed to service the increasing number of fish screens used to prevent the loss of migrating young fish at various water diversions. As provided by new legislation effective June 1, 1971, all hunting license applicants who cannot document their possession of a hunting license in a previous year will be required to participate in the hunter safety program. An additional position is proposed to meet this increased workload.

The department carries out many activities that are funded jointly with the federal government. Following are the highlights of changes in these activities. The Imperial Wildlife Area is in danger of losing its capability as a feed producing grounds for waterfowl

due to increasing salinity levels. Corrective action in the form of tiling is proposed to be initiated on selected sections at a cost of \$130,000. To provide more efficient use of the Los Banos Wildlife Area and also improve service to the sportsman, \$82,000 is proposed for the development of a checking station and parking lot. In order to determine the effects of pesticides on marine species, an additional biologist is proposed.

As a further move to improve the efficiency of hatchery operations, a trout genetics study is proposed at a cost of \$41,000. The objective will be the development of improved breeding systems that will result in greater spawning capabilities, larger fish and shorter growing periods. Kelp, which provides excellent fish habitat has been deteriorating in some areas. A study to improve the kelp beds is proposed at a cost of \$33,000.

The newly completed marine shellfish laboratory will be in operation and requires the addition of one and a half positions for maintenance at a cost of \$15,000.

Revenue received from commercial fishing activities has been at a low level in the past; however, increased anchovy catches in 1969-70 resulted in a significant revenue increase that will permit the Marine Research Committee to accelerate its commercial fisheries development work at an increased cost of \$107,000.

DEPARTMENT OF FISH AND GAME—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
4	PERSONAL SERVICES						
5	Net salaries and wages -----	1,078.7	1,120.4	1,056.1	\$9,907,371	\$10,916,153	\$10,430,688
6	Staff benefits -----	-	-	-	1,440,031	1,652,030	1,592,712
7	Totals, Personal Services -----	1,078.7	1,120.4	1,056.1	\$11,347,402	\$12,568,183	\$12,023,400
10	OPERATING EXPENSES AND EQUIPMENT						
11	General expense -----				\$1,535,995	\$1,550,062	\$1,696,009
12	Travel -----				1,538,364	1,785,565	1,771,792
13	Facilities expense -----				775,924	1,010,316	1,053,874
14	Contractual services -----				61,946	105,050	109,150
15	Feeding and purchase of birds and fish -----				776,443	945,262	1,026,262
16	Equipment -----				782,290	723,515	770,091
17	Totals, Operating Expenses and Equipment -----				\$5,470,962	\$6,119,770	\$6,427,178
20	MINOR CAPITAL OUTLAY -----				-	-	201,000
21	Totals, Expenditures -----				\$16,818,364	\$18,687,953	\$18,651,578
22	Reimbursements -----				-1,849,440	-2,042,722	-1,689,260
23	Net Expenditures -----				\$14,968,924	\$16,645,231	\$16,962,318
26	SPECIAL ITEMS OF EXPENSE						
27	Federal Aid Programs:						
28	Pittman-Robertson Act -----	133.6	116.7	159.7	\$2,115,325	\$1,876,400	\$2,667,900
29	Dingell-Johnson Act -----	46.1	49	51.5	585,659	685,400	785,000
30	Bartlett Bill Program -----	22.6	21.5	23	281,983	355,300	328,000
31	Totals, Federal Aid Programs --	202.3	187.2	234.2	\$2,982,967	\$2,917,100	\$3,780,900
32	Pacific Marine Fisheries Commission -----				15,300	15,300	15,300
33	Payment to Lake Tahoe Utility District -----				8,900	-	-
34	Marine Research Committee -----				56,995	120,200	227,400
35	Chapter 920/68 Big Horn Sheep -----				-382	-	-
36	Totals, Expenditures -----				\$18,032,704	\$19,697,831	\$20,985,918
41	APPROPRIATIONS						
44	Support, Item 192 (Fish and Game Preservation Fund) -----						\$16,962,318
45	Federal Aid, Item 193 (Fish and Game Preservation Fund) -----						3,780,900
46	Pacific Marine Fisheries Commission, Item 194 (Fish and Game Preservation Fund) -----						15,300
47	Marine Research Committee, Item 195 (Fish and Game Preservation Fund) -----						227,400
50	REVENUES				ACTUAL	ESTIMATED	PROPOSED
51					1969-70	1970-71	1971-72
54	Fish and Game Preservation Fund -----				\$16,114,220	\$17,394,568	\$17,745,500
55	Miscellaneous (General Fund) -----				2,307	3,000	3,000

DEPARTMENT OF FISH AND GAME—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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Department of Fish and Game—Capital Outlay

Major Projects -----	\$2,510,450	\$61,921	\$602,100
Minor Projects -----	472,647	231,000	- *
Totals, Expenditures (<i>Fish and Game Preservation Fund</i>) ----	\$2,983,097	\$292,921	\$602,100

GENERAL ANALYSIS

The capital outlay program of the Department of Fish and Game is primarily concerned with the maintenance and replacement of facilities and major pieces of equipment necessary to achieve the objectives of the programs carried out by the department.

The major item of increase is the modification of

the department's Beechcraft airplane which is over 13 years old and has more than 5,000 hours flying time. Because new airplanes may not have sufficient headroom for fish planting operations, it may be necessary to renovate the existing plane rather than purchase a replacement.

APPROPRIATIONS

Capital Outlay, Item 304 (<i>Fish and Game Preservation Fund</i>) -----	\$410,000
Other:	
Prior Year Balance Available (<i>Fish and Game Preservation Fund</i>) -----	192,100

* Minor Capital Outlay is reflected in the State Operations Budget beginning in 1971-72.

WILDLIFE CONSERVATION BOARD

Headquarters Office at Sacramento

GENERAL ANALYSIS

The lands and waters of California should accommodate the people seeking fishing, hunting, and associated outdoor recreation. There is a need to accomplish this without undue pressure on our valuable natural resources.

The Wildlife Conservation Board program is designed to meet these needs with a broad and flexible program of capital funding, with operation and management by local government or, in some instances, the Department of Fish and Game.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
	(Filled)	(Auth.)	(Auth.)			
Wildlife Conservation Board (<i>Wildlife Restoration Fund</i>) -----	6	6	6	\$109,023	\$124,247	\$121,951
RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
	(Filled)	(Auth.)	(Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	6	6	6	\$76,508	\$81,414	\$81,783
Staff benefits -----	-	-	-	6,754	8,141	8,178
Totals, Personal Services -----	6	6	6	\$83,262	\$89,555	\$89,961
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$21,125	\$26,050	\$24,890
Travel -----				4,552	8,442	6,900
Equipment -----				84	200	200
Totals, Operating Expenses and Equipment -----				\$25,761	\$34,692	\$31,990
TOTALS, EXPENDITURES (<i>Wildlife Restoration Fund</i>) -----				\$109,023	\$124,247	\$121,951

APPROPRIATION

Support, Item 196 (<i>Wildlife Restoration Fund</i>) -----	\$121,951
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REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Wildlife Restoration Fund -----	\$904,884	\$892,650	\$864,750

WILDLIFE CONSERVATION BOARD—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Wildlife Conservation Board—Capital Outlay				
1				
2				
3	Major Projects -----	\$4,689,102	\$750,066	\$930,000
4	Wildlife Restoration Fund -----	524,404	750,000	750,000
5	State Beach, Park, Recreational, and Historical Facilities			
6	Fund -----	817,249	1,066,566	-
7	Fish and Game Preservation Fund -----	2,562,520	-1,066,500	-
8	Recreation and Fish and Wildlife Enhancement Fund -----	-	-	180,000
9	Federal funds ^h -----	784,929	-	-

GENERAL ANALYSIS

The Wildlife Conservation Board is authorized, under the Wildlife Conservation Law of 1947, to acquire, restore and maintain in a high state of productivity, areas which can successfully sustain wildlife and provide adequate and suitable recreation for the people of the state. The board has also administered a program under the State Beach, Park, Recreational and Historical Facilities Bond Act of 1964. With the construction of the Imperial Valley Warmwater Hatchery and the Mad River Salmon-Steelhead Hatchery,

this five-million dollar bond program is now complete.

In November 1970 the voters approved Proposition 20, the Recreation and Fish and Wildlife Enhancement Bond Act, which will provide six million dollars to the Department of Fish and Game and the Wildlife Conservation Board for fish and wildlife enhancement and to provide access to state water projects. Expenditures of \$180,000 from this source is anticipated in 1971-72, contingent upon the sale of bonds.

APPROPRIATIONS

Capital Outlay, continuing appropriation (Wildlife Restoration Fund) -----	\$750,000
Capital Outlay, Item 326 (Recreation and Fish and Wildlife Enhancement Fund) -----	180,000

KLAMATH RIVER COMPACT COMMISSION

GENERAL ANALYSIS

The Klamath River Compact Commission carries out the terms of the Klamath River Compact between the states of California and Oregon. This is accomplished by the commission by carrying out programs designed to determine the demand for Compact waters

and their ability to meet this demand. This requires studies, continuing contact with public and private entities, and frequent meetings of the commission. The commission is supported by equal appropriations from California and Oregon.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Klamath River Compact Commission (<i>General Fund</i>) -----	\$7,575	\$6,355	\$9,725

HIGHLIGHTS OF PROGRAM

The program of the Klamath River Compact Commission during fiscal year 1971-72 is designed to assist the commission in its administration of the Klamath River Compact.

Work to be accomplished will be (1) initiation of studies leading to a determination of water uses by wildlife refuges in the Klamath River Basin as these

uses existed when the Compact became effective; (2) determination of water use factors for marshes and other areas of wildlife refuges in the Upper Klamath River Basin; and (3) a determination of the present level of irrigated acreage in the Upper Klamath River Basin.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS

OPERATING EXPENSES AND EQUIPMENT

Contractual services -----	\$7,575	\$6,355	\$9,725
Totals, Operating Expenses and Equipment -----	\$7,575	\$6,355	\$9,725
Totals, Expenditures (<i>General Fund</i>) -----	\$7,575	\$6,355	\$9,725

APPROPRIATION

Support, Item 197 (<i>General Fund</i>) -----			\$9,725
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DEPARTMENT OF NAVIGATION AND OCEAN DEVELOPMENT

GENERAL ANALYSIS

The department was created by the Governor's Reorganization Plan No. 2 of 1969. In addition to assuming the responsibilities of the Department of Harbors and Watercraft, it was made the focal point for oceanic efforts, particularly as they relate to coastal zone planning and management. The state's shoreline protection program was also made a function of the department.

Some \$30,000,000 in loans have been provided 24 local entities in the past decade. The department continues to provide funds to three to five applicants per year, totaling approximately \$4,000,000 annually. To assure the proper formulation of the projects in respect to beneficial impact of the proposed facilities to the boating public and to ascertain the ability of the local governmental agencies to repay the requested loans, the department conducts detailed economic and financial reviews of proposed harbor projects. In addition,

the department provides grants to local governments for the construction of boat launching ramps.

The department also carries out a program of boating safety and regulation and yacht and ship broker licensing. Operators of for-hire vessels are also licensed by the department. During the past fiscal year more than 1,400,000 pieces of boating safety and educational literature were distributed as part of the ongoing effort to increase boating safety.

In the oceanic field, the department has responsibility for the preparation and implementation of the Comprehensive Ocean Area Plan (COAP) and engages in coordinative and cooperative roles in the field of coastal zone management to test and carry out the proposals of the Comprehensive Ocean Area Plan. The plan was mandated by the Legislature in the Marine Resources Conservation and Development Act of 1967 and is scheduled for completion in 1972.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Boating Facilities -----	18.3	20.7	20.7	\$3,671,002	\$5,313,603	\$4,548,264
II. Boating Safety and Regulation--	31	13.3	14.3	713,728	387,474	560,063
III. Brokers and For-Hire Operators						
Licensing -----	4	4.5	4.5	64,784	73,927	76,027
IV. Beach Erosion Control -----	3.4	6	6	213,641	602,183	182,175
V. Comprehensive Ocean Area Plan Development -----	(7)	7	6.5	49,990	145,840	150,640
VI. Administration--distributed to programs -----	11	13.6	13.6	(165,254)	(216,486)	(201,695)
Administration--undistributed --	-	-	-	-	-	29,279
TOTALS, PROGRAMS -----	67.7	65.1	65.6	\$4,713,145	\$6,523,027	\$5,546,448
Reimbursements -----				-15,010	-	-
NET TOTALS, PROGRAMS -----				\$4,698,135	\$6,523,027	\$5,546,448
General Fund -----				-359,431	752,184	336,977
Harbors and Watercraft Revolving Fund ^a -----				4,775,380	5,932,196	5,424,478
California Water Fund -----				-209,027	-211,353	-215,007
Small Craft Harbor Bond Fund ^b -----				481,521	50,000	-
Yacht and Ship Brokers Fund ^c -----				9,692	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The principal addition to the department's program is the establishment of a vessel waste management program. This program is aimed at achieving compliance among boaters with the state water quality requirements.

The conceptual basis for the program is being devel-

oped in conjunction with the Water Resources Control Board and utilizes a department-appointed vessel waste management task force comprised of members with expert qualifications in matters related to vessel use and capability.

^a Revenues and expenditures of nongovernmental cost funds are not included in overall budget totals.

^b Expenditures from bond funds not included in the overall budget totals.

^c Fund abolished as of November 10, 1969 pursuant to Chapter 1249, Statutes of 1969.

DEPARTMENT OF NAVIGATION AND OCEAN DEVELOPMENT—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2				
3	Local Assistance			
4				
5	LAUNCHING FACILITY GRANTS			
6	Project Detail ^d			
7	Humboldt County			
8				
9	ARCATA			
10	For construction of a 3-lane launching ramp, channel dredging,			
11	parking area and utilities -----	\$90,000	-	-
12				
13	Los Angeles County			
14				
15	LOS ANGELES HARBOR, CABRILLO-SAN PEDRO			
16	For construction of a 4-lane launching ramp, parking area,			
17	utility and sanitary facilities -----	-	\$350,000	-
18				
19	San Diego County			
20				
21	CHULA VISTA			
22	For construction of a 4-lane launching ramp, floating dock,			
23	sanitary facilities, parking area, water system and land-			
24	scaping -----	-	259,000	-
25				
26	CORONADO			
27	For construction of a 2-lane launching ramp and resurfacing			
28	of parking area -----	45,000	-	-
29				
30	Shasta County			
31				
32	JONES VALLEY, SHASTA LAKE			
33	For construction of a 4-lane launching ramp, parking area, and			
34	sanitary facilities -----	315,000	-	-
35				
36	Butte County			
37				
38	LIME SADDLE, OROVILLE RESERVOIR			
39	For construction of a 2-lane launching ramp, parking, and sani-			
40	tary facilities -----	160,000	-	-
41				
42	LIME SADDLE, OROVILLE RESERVOIR			
43	For construction of an additional 2 launching lanes, parking, and			
44	sanitary facilities -----	-	-	\$120,000
45				
46	Siskiyou County			
47				
48	MEDICINE LAKE			
49	For construction of a 2-lane launching ramp, parking area, and			
50	sanitary facilities -----	-	65,000	-
51				
52	Alameda County			
53				
54	OAKLAND LAUNCHING FACILITY			
55	For construction of a 2-lane launching ramp, parking area, utili-			
56	ties and sanitary facilities -----	156,600	-	-
57				
58	El Dorado County			
59				
60	REGAN BEACH			
61	For construction of a 2-lane launching ramp, parking area, and			
62	sanitary facilities -----	163,000	-	-
63				
64	Shasta County			
65				
66	PACKERS BAY, SHASTA LAKE			
67	For construction of launching ramp and sanitary facilities -----	-	350,000	-
68				
69	Imperial County			
70				
71	RED HILL MARINA			
72	For completion of project -----	30,000	-	-
73				
74	TOTALS, LAUNCHING FACILITY GRANTS (Harbors and			
75	Watercraft Revolving Fund) -----	\$959,600	\$1,024,000	\$120,000

^d From Harbors and Watercraft Revolving Fund unless otherwise indicated.

DEPARTMENT OF NAVIGATION AND OCEAN DEVELOPMENT—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2	Local Assistance—Continued			
3				
4	SMALL CRAFT HARBOR CONSTRUCTION LOANS			
5				
6	Project Detail ^d			
7	Los Angeles County			
8				
9	AVALON			
10	To construct or modify a steamer pier so as to equal the berth-			
11	ing facilities provided prior to 1969 -----	-	\$350,000	-
12				
13	Alameda County			
14				
15	BERKELEY MARINA			
16	For demolition of 232 dilapidated berths, construction of 579			
17	new berths, revetments, restrooms, parking area, and			
18	landscaping -----	-	-	\$1,500,000
19				
20	Ventura County			
21				
22	CHANNEL ISLANDS HARBOR			
23	For construction of 392 berths, parking area, and sanitary fa-			
24	cilities -----	-	1,060,000	-
25				
26	Del Norte County			
27				
28	CRESCENT CITY HARBOR, WHALER ISLAND			
29	For construction of small craft harbor, rock removal, dredging,			
30	berthing, utilities and sanitary facilities. Total estimated			
31	costs—\$2,272,000 including \$1,363,200 from the Economic			
32	Development Agency, U.S. Department of Commerce ----	-	950,000	-
33				
34	Alameda County			
35				
36	EMERYVILLE MARINA			
37	For funding of a portion of a small craft harbor including filling			
38	and dredging. This project has been approved by the Bay			
39	Conservation and Development Commission. Total estimated			
40	project cost—\$4,775,000 -----	\$1,000,000	-	-
41				
42	Monterey County			
43				
44	MONTEREY HARBOR (<i>Small Craft Harbor Bond Fund</i>) -----	262,304	-	-
45	For improvement of berthing facilities and extension of bulkheads			
46				
47	San Diego County			
48				
49	OCEANSIDE HARBOR			
50	For construction of additional berthing facilities and utilities --	-	300,000	250,000
51				
52	Contra Costa County			
53				
54	PITTSBURG (<i>Small Craft Harbor Bond Fund</i>) -----	71,317	-	-
55	For construction of 77 additional berths.			
56				
57	Los Angeles County			
58				
59	PORT OF LOS ANGELES, FISH HARBOR MARINA			
60	For construction, including dredging and fill, for a small craft			
61	harbor -----	1,000,000	-	1,500,000
62				
63	Santa Cruz County			
64				
65	SANTA CRUZ HARBOR			
66	Increment cost, for development of a harbor basin, the installa-			
67	tion of 466 berthings, modification of highway and railroad			
68	bridge, and the construction of other ancillary facilities ---	-	1,250,000	-
69	Total estimate project costs -----			
70	Land acquisition—Park and Recreation Bond			
71	Fund -----			
72	Local participation -----			
73	Item 287, Chapter 500, Statutes of 1967 ----			
74				
75	San Francisco County			
76				
77	SAN FRANCISCO MARINA			
78	(<i>Small Craft Harbor Bond Fund</i>)			
79	For completion of seawall construction -----	118,337	-	-
80				
81	^d From Harbors and Watercraft Revolving Fund unless otherwise indicated.			
82				
83				
84				
85				
86				

DEPARTMENT OF NAVIGATION AND OCEAN DEVELOPMENT—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2				
3	Local Assistance—Continued			
4	SMALL CRAFT HARBOR CONSTRUCTION			
5	LOANS—Continued			
6				
7	Project Detail—Continued			
8	Alameda County			
9	SAN LEANDRO HARBOR			
10	For construction of 152 additional berths, dredging, and utilities	-	-	800,000
11				
12	Subtotal	\$2,451,958	\$3,910,000	\$4,050,000
13	Repayment of Loans (<i>Harbors and Watercraft Revolving</i>			
14	<i>Fund</i>)	-50,311	-113,982	-175,438
15	Repayment of Loans (<i>California Water Fund</i>)	-209,027	-211,353	-215,007
16				
17	NET TOTALS, SMALL CRAFT HARBOR CONSTRUCTION			
18	LOANS	\$2,192,620	\$3,584,665	\$3,659,555
19				
20				
21	FEASIBILITY AND PLANNING STUDY LOANS			
22				
23	Project Detail ^d			
24	Statewide Planning Loans:			
25	Small Craft Harbor Bond Fund	\$29,563	\$50,000	-
26	City of Berkeley (<i>Harbors and Watercraft Revolving Fund</i>)	25,000	50,000	\$100,000
27				
28	TOTALS, FEASIBILITY AND PLANNING STUDY LOANS	\$54,563	\$100,000	\$100,000
29				
30				
31	SMALL CRAFT HARBOR EMERGENCY LOANS			
32				
33	For repairs of damage at small craft harbor facilities, Santa Bar-			
34	bara Harbor, caused by emergency conditions authorized by			
35	Item 354, Budget Act of 1969	\$74,921	-	-
36				
37	TOTALS, LOAN FOR EMERGENCY REPAIRS (<i>Harbors and</i>			
38	<i>Watercraft Revolving Fund</i>)	\$74,921	-	-
39				
40				
41	REPAYMENT OF GENERAL FUND LOANS FOR			
42	SMALL CRAFT HARBORS			
43				
44	Repayment Detail			
45				
46	Repayment to General Fund of loans made to the Small Craft			
47	Harbor Improvement Fund	-	-	-
48	General Fund	-\$629,982	-	-
49	Harbors and Watercraft Revolving Fund	647,046	-	-
50	Repayment to General Fund of loan to Noyo Harbor District for			
51	emergency repairs	-	-	-
52	General Fund (<i>short-term loan</i>)	(-25,000)	-	-
53	Harbors and Watercraft Revolving Fund	25,003	-	-
54				
55	Totals, Repayment of General Fund Loans	\$42,157	-	-
56	General Fund	-629,982	-	-
57	Harbors and Watercraft Revolving Fund	672,139	-	-
58				
59	TOTALS, SMALL CRAFT HARBORS LOANS	\$2,364,261	\$3,684,665	\$3,759,555
60	General Fund	-629,982	-	-
61	Harbors and Watercraft Revolving Fund	2,721,749	3,846,018	3,974,562
62	Small Craft Harbor Bond Fund	481,521	50,000	-
63	California Water Fund	-209,027	-211,353	-215,007
64				
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68	STATE FINANCIAL ASSISTANCE FOR			
69	BOATING LAW ENFORCEMENT			
70				
71	Allocations for boating safety and enforcement programs pursuant			
72	to Section 663.7 of the Harbors and Navigation Code	-	\$120,000	\$275,000
73				
74	TOTALS, ASSISTANCE FOR BOATING LAW ENFORCE-			
75	MENT (<i>Harbors and Watercraft Revolving Fund</i>)	-	\$120,000	\$275,000
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77	^d From Harbors and Watercraft Revolving Fund unless otherwise indicated.			
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DEPARTMENT OF NAVIGATION AND OCEAN DEVELOPMENT—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	Local Assistance—Continued			
2				
3				
4	BEACH EROSION CONTROL			
5				
6	Project Detail			
7				
8	Orange County, Anaheim Bay Harbor to Newport Bay:			
9	State's share -----	\$20,000	\$227,500	\$52,800
10	Local share (Department of Parks and Recreation) -----	-	86,625	18,480
11	Local share (Orange County) -----	-	160,875	34,320
12	City of Los Angeles, Point Fermin (Royal Palms):			
13	State's share -----	-	75,000	-
14	Local share (City of Los Angeles) -----	-	75,000	-
15	City of San Diego, Sunset Cliffs:			
16	State's share -----	70,000	-	-
17	Local share (City of San Diego) -----	80,000	-	-
18	Santa Cruz County (Capitola Beach State Park):			
19	State's share -----	-	125,000	-
20	Local share (City of Capitola and Department of Parks and Recreation) -----	-	125,000	-
21				
22				
23	Totals, Beach Erosion Control Projects -----	\$170,000	\$875,000	\$105,600
24	Less local share -----	-80,000	-360,875	-34,320
25	Less Department of Parks and Recreation -----	-	-86,625	-18,480
26				
27	TOTALS, EXPENDITURES (General Fund) -----	\$90,000	\$427,500	\$52,800
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31	RECAPITULATION BY OBJECT			
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DEPARTMENT OF NAVIGATION AND OCEAN DEVELOPMENT—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
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8	Local Assistance—Continued			
9				
10	APPROPRIATIONS			
11	Support, Item 198 (<i>General Fund</i>)			\$133,537
12	Support, Comprehensive Ocean Area Plan, Item 199 (<i>General Fund</i>)			150,640
13	Support, Item 200 (<i>Harbors and Watercraft Revolving Fund</i>)			896,916
14	Support, Feasibility Determinations, Item 201 (<i>Harbors and Watercraft Revolving Fund</i>)			150,000
15	Local Assistance, Item 202 (<i>General Fund</i>)			52,800
16	Local Assistance, Small Craft Harbor loans, Item 203 (<i>Harbors and Watercraft Revolving Fund</i>)			4,150,000
17	Local Assistance, Launching Facility Grants, Item 204 (<i>Harbors and Watercraft Revolving Fund</i>)			120,000
18	Local Assistance, Boating Law Enforcement, Item 205 (<i>Harbors and Watercraft Revolving Fund</i>)			275,000
19	Other:			
20	Prior year balances available, support (<i>Harbors and Watercraft Revolving Fund</i>)			8,000
21	Repayment of loans (<i>California Water Fund</i>)			-215,007
22	Repayment of loans (<i>Harbors and Watercraft Revolving Fund</i>)			-175,438

SUMMARY—CAPITAL OUTLAY

ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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Department of Navigation and Ocean Development—Capital Outlay

Major projects	-	\$1,083,044	\$155,000
Minor projects	-	145,415	*
Totals, Expenditures	-	\$1,228,459	\$155,000
Harbors and Watercraft Revolving Fund	-	1,020,200	155,000
Federal funds (Land and Water Conservation Fund)	-	208,259	-

GENERAL ANALYSIS

The Department of Navigation and Ocean Development is authorized to prepare plans for, and acquire, construct, develop and improve, small craft harbors, facilities in connection therewith, and connecting waterways. The department may also make loans and grants to local agencies for these purposes. To date the department has encouraged the development of small craft harbors and boating facilities through its loan and grant programs. The department has also relied upon federal participation in these projects.

The current year projects represent a capital outlay approach to meeting the boating facilities deficiencies.

The department is undertaking the planning of two harbor of refuge projects.

The Governor's Reorganization Plan No. 2 of 1969 transferred the boating facility planning and design functions, authorities, and responsibilities of the Department of Parks and Recreation and the Office of Architecture and Construction to the Department of Navigation and Ocean Development. Capital outlay responsibility for the planning and development of boating facilities in the state park system are reflected in the current year, budget year and subsequent years.

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The department proposes to construct an eight-lane launching ramp at Millerton Lake State Recreation Area during the 1971-72 fiscal year. At present, boat launching facilities at the lake range from very limited to non-existent between the lake surface eleva-

tions of 521 and 465, making the lake inaccessible to boaters for five months of the year. It is estimated that the new boating facilities will accommodate 35,000 additional boater man-days per year.

APPROPRIATION

Capital Outlay Item 305 (<i>Harbor and Watercraft Revolving Fund</i>)	\$155,000
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* Minor Capital Outlay is reflected in the state operations budget beginning in 1971-72

DEPARTMENT OF PARKS AND RECREATION

GENERAL ANALYSIS

The Department of Parks and Recreation plans, acquires, develops, operates, and maintains units of the state park system.

In December of 1967 the department was extensively reorganized to more effectively pursue these six principal objectives:

1. To secure and preserve elements of the state's outstanding landscape, cultural, and historical features.

2. To provide for the meaningful and constructive use of people's uncommitted time.

3. To help the people of California understand and appreciate through an interpretive program the state's cultural, historic, and natural heritage.

4. To maintain and, where necessary, improve the quality of California's environment.

5. To maintain a statewide recreation plan that includes a continuing analysis of the state's need for

recreational areas and facilities, and a determination of the levels of public and private responsibility for meeting this need.

6. To encourage all levels of government and private enterprise throughout the state to participate, whenever feasible, in the development and operation of recreational facilities.

The ever-increasing population in California has resulted in the expansion of the economy and accelerated urbanization. Technological advances have created a more affluent society with additional leisure time which is being spent increasingly in pursuing all forms of recreation. It is necessary to provide for the wise and constructive use of the state's natural resources for recreational as well as for consumptive uses and to preserve the state's cultural, historical, and natural heritage for future generations to enjoy.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Parks and Recreation -----	1,626.1	1,653.3	1,689.4	\$27,274,226	\$27,916,168	\$24,712,510
PROGRAM ELEMENTS:						
I. Parks and Recreation						
A. Statewide Park and Recreation Planning -----	77.8	79.2	79.2	\$900,515	\$965,674	\$982,544
B. Acquisition for the State Park System -----	19.5	19.8	19.8	243,548	261,171	265,329
C. Development of the State Park System -----	119.8	121.9	121.9	1,502,223	1,610,920	2,349,311
Minor Capital Outlay -----	-	-	-	-	-	(713,975)
D. Operation of the State Park System -----	1,260.2	1,287.7	1,323.8	17,243,266	18,583,128	19,400,147
E. Assistance to Public and Private Recreational Agencies -----	15	15.2	15.2	7,018,780	6,074,961	1,317,406
Grants to Local Agencies for Recreation -----	-	-	-	(6,807,978)	(5,848,905)	(1,088,820)
II. Administration—undistributed --	19.7	20.1	18.3	365,894	420,314	397,773
III. Administration—distributed to programs -----	114.1	109.4	111.2	(2,117,017)	(2,289,268)	(2,414,785)
TOTALS, PROGRAMS -----	1,626.1	1,653.3	1,689.4	\$27,274,226	\$27,916,168	\$24,712,510
Reimbursements -----	-	-	-	-1,487,099	-1,565,431	-2,494,835
NET TOTALS, PROGRAMS -----				\$25,787,127	\$26,350,737	\$22,217,675
General Fund -----				18,979,149	20,358,832	20,449,855
Harbors and Watercraft Revolving Fund -----				-	143,000	169,000
State Beach, Park, Recreational, and Historical Facilities Fund -----				5,440,364	5,448,901	1,088,820
Federal funds -----				1,367,614	400,004	-
Special Deposit Fund -----				-	-	510,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

In the 1971-72 fiscal year, the department will undergo a major change of emphasis in its planning function. It will shift from a statewide general recreation planning orientation, which includes long-range planning, to a concentration on the planning and development of recreation facilities at state water projects.

With the successful passage of Proposition 20 in the November 1970 election, the Recreation and Fish and Wildlife Enhancement Bond Fund was established, and the department assumed the responsibility

for a \$54,000,000 recreation development program at state water projects. This program will reimburse the department's water project planning efforts.

- A. Statewide park and recreation planning ----- \$16,870
- B. Acquisition for the state park system -- \$4,158

The increases to these elements represent amounts necessary to meet rising costs. They are not proposals for service or workload increases.

DEPARTMENT OF PARKS AND RECREATION—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

C. Development of the state park system —\$738,391

Of the \$738,391 increase proposed for this element, \$24,416 is for cost increases. The remaining \$713,975 represents the department's minor capital outlay program. In previous fiscal years, minor capital outlay was displayed in the capital outlay budget. This year it is treated as a support budget category and, consequently, is included in the development element total. \$510,000 for minor capital outlay is proposed from the Special Deposit Fund, while the remaining \$203,975 will be reimbursed from the Clean Water Bond Fund.

D. Operation of the state park system -- \$817,019

Of the \$817,019 increase proposed for this element, \$317,019 is necessary to meet cost increases. The remaining \$500,000 represents a workload increase and is necessary for the support of the following items:

Pendleton Beach: Initial operation of this new acquisition will provide approximately 200 acres of beach area with 6,000 feet of ocean frontage. It is estimated that this facility will provide 90,000 recreation man-days. The scheduled date for commencing operations will be July 1, 1971. Pendleton Beach is considered one of the finest surfing areas on the Pacific Coast, and the beach upland is heavily wooded and ideal for picnicking. The \$194,284 will be used for immediate operation and staffing of this new facility.

Hearst County Park: On January 1, 1971, the department will assume the operation of Hearst County Park from the County of San Luis Obispo. The park provides overnight camping and day-use facilities. There are 1,500 feet of ocean frontage, a 1,000-foot public pier, and approximately 900 acres of park land. \$24,000 will be used to staff and operate this facility, thus maintaining the current level of service now provided by the County of San Luis Obispo.

Lake Oroville State Recreation Area—Kelly Ridge and Loafer Creek: \$58,000 is to be used for increased staffing and operating expenses as a result of new development. Included is the administration, operation, and maintenance of 143 new campsites and a joint private concessionaire-state constructed visitor center facility. It is estimated this additional funding will provide 60,000 recreation man-days.

Clear Lake Area: \$27,070 is to be used to provide increased staffing and costs of operation which have been created by a series of newly completed developments. The additional 65-unit camping area, waterfront facilities, and beach facilities represent a \$478,500 investment. The yearly increase in attendance will be approximately 60,000 persons with a minimum increase in revenue of \$34,000. Public facilities will

be increased by 85 percent with a related 45 percent increase in cost of operation.

Fort Ross Area—Salt Point State Park: \$14,581 is to be used to support the new 31-unit campground, day-use facilities, and water system. The increased spending will result in a revenue increase of \$16,500 and capacity for 60,000 additional recreation man-days.

Sugar Pine Point State Park: \$30,000 is to be used for operation and maintenance of 175 campsites, seven comfort stations, two shower buildings, a trailer sanitation station, an entrance station, and an employee trailer area which will begin operation in the spring of 1971. These new facilities are expected to provide 70,000 additional recreation man-days, including winter camping for the first time in the Lake Tahoe area.

Joshua Trees Area—Red Rock Canyon: \$36,875 is to be used to provide staffing and operating expenses required by completed acquisition. The initial acquisition of 1,815 acres is completed and is presently under the department's management. It is expected the acquisition of the remaining 1,680 acres of private property within the scope of the project will be completed by January 1, 1971. The balance of the project, 7,545 acres, is expected to be completed by July 1, 1971. The project will total slightly over 11,000 acres of very fragile desert lands containing irreplaceable natural values. The size of the project, heavy visitor use, wide range of recreational pursuits, and expected development will require a staff adequate to protect the resource, interpret the area, and protect the visitors.

San Luis Reservoir State Recreation Area: \$31,160 is to be used for staffing which will provide both visitor and resource protection, ensure maintenance of facilities and increase overall efficiency of operation. Attendance at San Luis Reservoir has tripled over the past fiscal year and this trend is expected to continue. Also, the recently opened Basalt Boat Ramp, Dinosaur Point, and San Luis Creek areas have created an additional staffing need. It is anticipated that these facilities will provide 28,000 additional recreation man-days.

Torrey Pines State Reserve: \$8,965 is required to staff, operate, and maintain the Torrey Pines Extension, a new 160-acre acquisition. This facility will provide 2,000 new recreation man-days.

Millerton Lake State Recreation Area: \$6,700 is to be used to maintain the newly acquired Millerton Courthouse. This facility will provide 32,000 recreation man-days.

Big Sur Area (Molera Property): \$15,480 is required to provide added management control and resource protection necessary because of the addition of the 2,000-acre Molera unit, the 25-acre Partington

DEPARTMENT OF PARKS AND RECREATION—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

Canyou, and 1,800-acre underwater park at Julia Pfeiffer Burns State Park. This facility will provide 2,000 recreation man-days.

Calaveras Area: \$3,777 is to be used to provide seasonal staffing necessary because of the opening of new facilities and services at the 2,755-acre South Grove Area. Included are 4.5 miles of parkway, 50 picnic units, and two 75-car parking areas. Additional annual attendance is estimated to be in excess of 100,000 visitors.

Marshall Gold Discovery Area: \$7,735 is needed to provide staffing of new day-use facilities consisting of parking area, picnic area, and swimming beach. Also, two historic churches have been acquired and will require protection, maintenance, and regular house-keeping. These additional facilities are expected to receive 15,000 recreation man-days of use.

Doheny State Beach: A \$2,000,000 redevelopment project has been completed at this unit. This development has increased the workload of the visitor services staff in protection, enforcement, and public assistance duties. To avoid deterioration and to guarantee protection of this facility and the public investment, increased staffing amounting to \$28,823 is required.

Old Town San Diego State Historic Park: \$15,469 is to be used to provide care and maintenance of newly acquired, developed landscaped areas. The Pink Plaza and Washington Square Park were acquired from the City of San Diego; and, in order for these developed and intensively landscaped acquisitions to be maintained properly, it is necessary that staffing be increased.

San Luis Obispo Coast Area—Hazard Canyon: \$9,000 is to be used to install and staff a kiosk and to maintain the newly acquired Hazard Canyon. This new acquisition provides 1,326 acres of land and will have an estimated attendance of 35,000 visitors per year.

Henry W. Coe State Park: \$7,000 is to be used to operate, maintain, and protect the new historic museum. It will house a \$2,000,000 collection. The museum is expected to provide 8,500 recreation man-days.

San Diego Coast Area: \$35,288 is to be used to staff and support additional completed developments at Moonlight State Beach and at Torrey Pines, north day-use area. A total of 675 new beach parking spaces and additional beach land are expected to increase recreational use by 126,000 recreation man-days.

Interpretive Services: \$13,842 is to be used to establish a registrar of collections position to administer and supervise staff and field personnel in maintaining the department's collection records system. Within the state park system there are currently three major museums, some 70 small and house museums, 200 exhibit installations, and over 500,000 items in collections or on exhibit with a total value exceeding \$50,000,000. To ensure proper maintenance of records, inventories, and safe storage of these valuable collections and exhibits, it is essential that we employ an individual with statewide coordination responsibility.

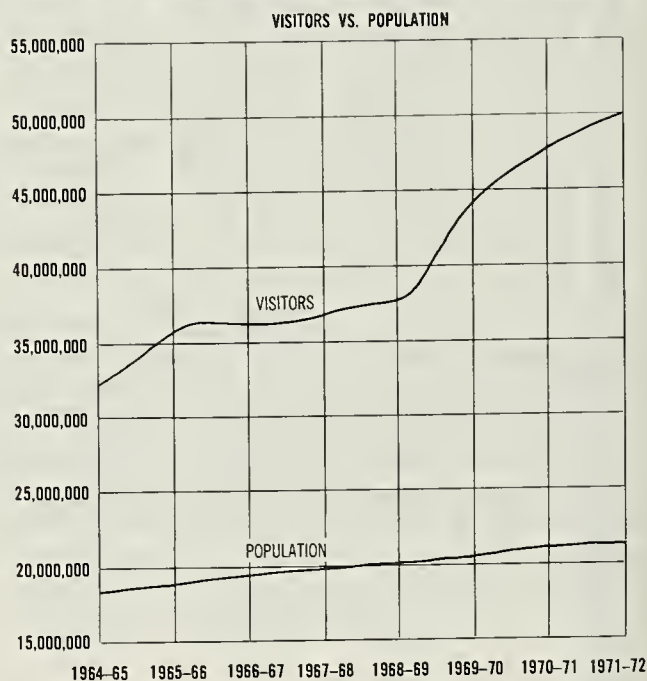
E. Assistance to public and private recreational agencies ----- \$4,771,054

The \$4,771,054 reduction in this element is a result of two factors: (1) the balance in the State Beach, Park, Recreational, and Historical Facilities Fund available for local assistance appropriations in this fiscal year of the program allows for grants totaling \$1,000,000 plus administrative costs. In the 1970-71 fiscal year, the bond fund grant appropriation was approximately \$4,500,000 with administrative costs; and (2) federal land and water grants for local assistance administered by the department are no longer displayed in the Governor's Budget pursuant to Chapter 940, Statutes of 1970.

F. Administration ----- \$102,976

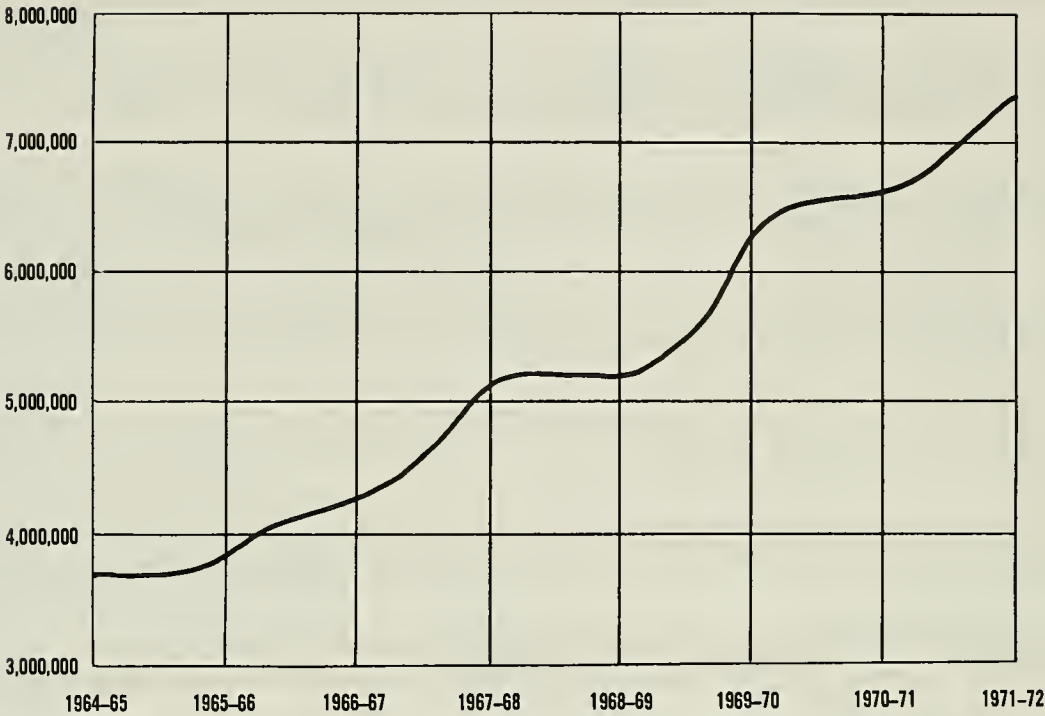
Of the \$102,976 increase proposed for this element, \$82,722 is necessary to meet rising costs. This program cost increase is a result of net increases within the detail of the support budget categories. It consists of \$30,305 for merit salary increases for executive and administrative services personnel, and \$52,417 operating expense increases caused primarily by uncontrollable items, such as rent and motor vehicle liability insurance.

The remaining \$20,254 represents a workload increase (1) to support an accountant I position to meet additional accounting workload resulting from the department's assuming responsibility for the water bond development program, and (2) to support a state financial examiner II position to meet additional auditing workload resulting from an increase in federal land and water grants for recreation to local government. Both these positions will be fully reimbursed.

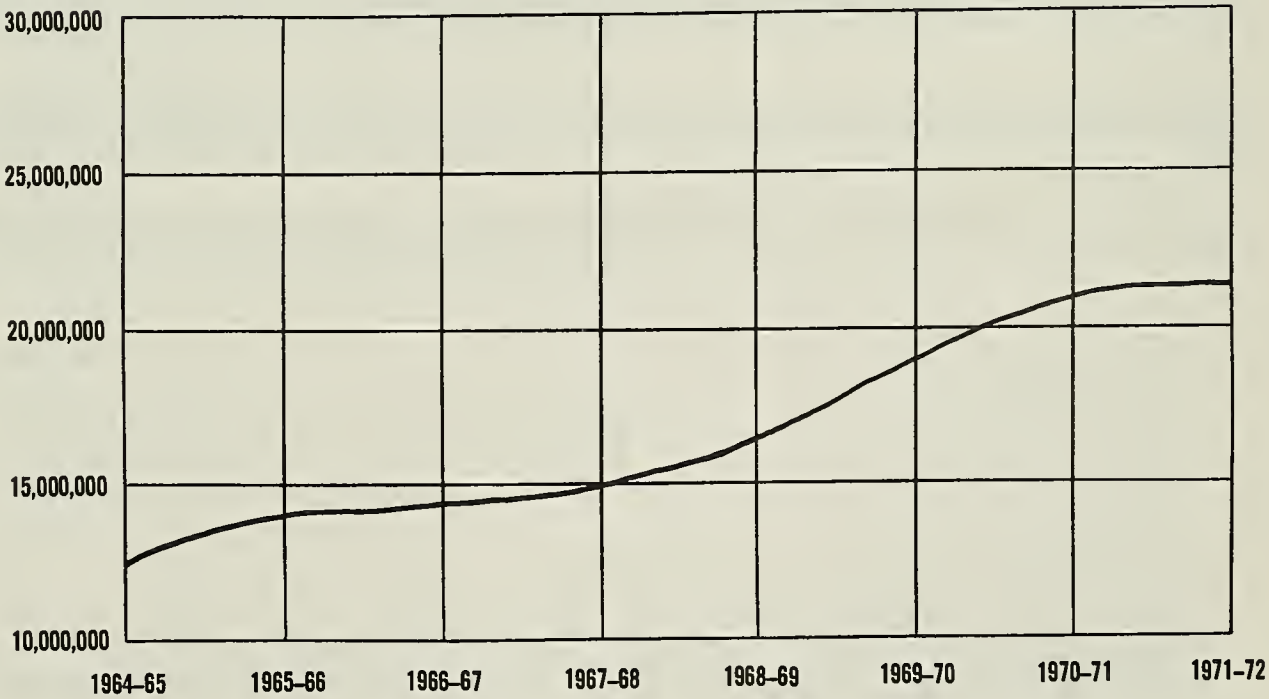


DEPARTMENT OF PARKS AND RECREATION—Continued
HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

REVENUE



DEPARTMENTAL SUPPORT COSTS



DEPARTMENT OF PARKS AND RECREATION—Continued

Area	Visitor-days			Cost of Operation			Revenue			Percent Revenue to Cost	
	Prior Year	Current Year	Budget Year	Prior Year	Current Year	Budget Year	Prior Year	Current Year	Budget Year	Prior Year	Current Year
Angel Island Area	98,828	99,750	105,000	\$197,005	\$215,217	\$218,779	\$21,123	\$22,215	\$24,908	11%	10%
Ariza-Borrogo Area	437,569	456,000	480,000	228,233	249,777	253,912	52,268	54,885	61,338	23%	22%
Benicia Area	70,480	71,250	75,000	65,926	72,262	73,458	8,494	8,494	9,523	12%	13%
Big Basin Area	1,725,949	1,800,250	1,895,000	383,426	419,437	426,381	200,319	212,355	238,095	52%	51%
Big Sur Area	664,241	693,500	730,000	257,301	281,196	285,851	158,780	167,993	188,278	62%	60%
Bodie Area	92,966	95,000	100,000	30,567	32,989	33,535	100	653	732	—	—
Bothe-Napa Area	74,691	76,000	80,000	62,437	67,549	68,688	17,973	18,948	21,245	29%	28%
Calaveras Area	208,320	213,750	225,000	205,451	224,643	228,361	65,547	69,260	77,655	31%	31%
Carpinteria Area	430,748	446,500	470,000	144,055	157,092	159,663	88,562	93,436	104,761	62%	59%
Castle Crags Area	51,751	52,250	55,000	63,166	69,120	70,265	32,452	34,829	37,838	37%	36%
Clear Lake Area	96,607	99,750	105,000	58,619	62,837	63,777	40,234	42,471	47,619	69%	75%
Columbia Area	357,301	370,500	390,000	182,346	177,514	180,453	33,532	35,283	38,560	21%	20%
Delta Area	193,063	199,500	210,000	131,048	142,954	145,320	43,735	46,391	52,014	33%	32%
Dryville Area	686,665	717,250	755,000	360,338	394,302	400,830	72,106	76,474	85,714	20%	19%
Feather River Area	853,750	888,250	935,000	301,416	335,355	339,835	33,654	35,283	39,560	11%	12%
Folsom Lake Area	2,540,684	2,650,500	2,790,000	585,071	640,938	651,548	196,345	208,434	243,699	34%	33%
Fort Humboldt Area	69,279	71,250	75,000	29,018	31,418	31,938	—	—	—	—	—
Fort Koss Area	335,868	339,000	420,000	72,064	79,546	79,846	21,086	22,215	24,908	29%	28%
Fort Tejon Area	52,694	52,250	55,000	60,508	65,978	67,071	2,779	2,613	2,930	5%	4%
Four Rivers Area	463,732	479,750	505,000	410,129	449,285	456,722	97,699	103,237	115,750	24%	23%
Frontiera Area	1,146,592	1,197,000	1,260,000	333,230	364,455	370,488	116,534	123,492	138,461	35%	34%
Garota Area	452,923	470,250	495,000	205,629	224,642	228,361	155,077	164,003	183,882	75%	73%
Grover Hot Springs Area	89,018	90,250	95,000	42,555	45,556	46,311	27,070	28,096	31,501	64%	62%
Heart Bar Area	29,586	28,500	30,000	32,346	40,844	41,520	5,745	5,880	6,593	18%	14%
Henry W. Coe Area	46,459	47,500	50,000	36,303	39,273	39,923	4,239	3,920	4,395	12%	10%
Honohi Area	394,663	408,500	430,000	174,203	190,922	193,228	67,383	71,220	79,853	39%	37%
Josua Trees Area	28,620	28,500	30,000	32,856	34,560	35,132	3,351	3,267	3,663	10%	9%
La Puente Area	534,944	555,750	585,000	192,463	193,528	195,739	129,902	137,867	154,578	106%	103%
La Puente Mission Area	131,076	133,000	140,000	124,334	135,099	137,336	8,355	8,494	9,523	7%	7%
Malakoff Diggins Area	15,026	14,250	15,000	43,582	47,127	47,907	1,583	1,306	1,465	4%	3%
Marin Area	1,685,074	1,757,500	1,850,000	368,621	403,728	410,411	113,447	120,225	134,798	31%	30%
Marshall Gold Discovery Area	250,642	261,250	275,000	110,361	109,964	111,785	16,336	16,988	19,047	15%	15%
McArthur-Burney Area	169,517	175,750	185,000	69,499	75,404	76,692	39,548	41,817	46,886	57%	55%
Mendocino Area	645,336	669,750	705,000	274,942	281,313	286,611	110,868	117,612	131,868	40%	39%
Millerton Lake Area	427,305	441,750	465,000	228,219	249,777	253,912	80,895	85,595	95,970	36%	34%
Mitchell Caverns Area	14,036	14,250	15,000	40,479	43,985	44,714	4,483	4,573	5,128	11%	10%
Monterey Area	579,692	603,250	635,000	273,190	284,766	293,417	109,202	115,651	129,670	20%	19%
Monterey Area	647,858	674,500	710,000	326,595	338,171	344,100	19,707	20,908	23,443	6%	6%
Morro Bay Area	1,780,292	1,875,250	1,955,000	230,561	252,913	257,106	122,000	129,373	149,255	53%	51%
Mount Diablo Area	352,953	370,500	390,000	161,955	205,791	209,198	73,056	77,101	86,446	45%	45%
Mount San Jacinto Area	303,069	313,500	330,000	98,369	106,823	108,591	13,303	13,721	15,384	13%	13%
Orange Coast Area	4,094,887	4,203,750	4,495,000	884,876	970,833	986,904	513,874	544,935	620,988	58%	56%
Piedra Area	32,911	33,250	35,000	32,044	36,533	37,489	4,574	4,573	5,128	9%	8%
Piercy Area	597,412	589,000	620,000	230,248	251,348	255,509	117,516	124,146	139,194	51%	49%
Pismo Area	2,874,592	3,002,000	3,160,000	129,133	141,383	143,723	69,354	73,180	82,051	54%	52%
Plumas-Eureka Area	52,445	52,250	55,000	71,266	76,975	78,249	14,685	15,028	16,849	21%	20%
Pont Lobos Area	440,476	456,000	480,000	113,486	124,103	126,157	51,780	54,885	59,340	46%	44%
Point Mugu Area	613,247	636,500	670,000	218,807	228,781	242,733	96,927	102,583	115,018	44%	43%
Russian River Area	1,036,482	1,078,250	1,135,000	194,352	212,075	215,585	47,868	50,311	56,410	25%	24%
Sacramento Area	452,583	470,250	495,000	196,001	213,646	217,182	48,183	50,956	57,142	24%	23%
Salton Sea Area	290,106	290,250	315,000	218,680	238,781	242,733	83,309	88,209	98,901	38%	37%
San Diego Coast Area	1,884,239	1,966,500	2,070,000	610,296	669,215	680,293	291,475	284,570	263,003	36%	35%
San Francisco Maritime Area	228,107	237,500	250,000	280,006	284,337	289,044	132,731	140,481	157,509	49%	49%
San Mateo Coast Area	5,114,950	5,339,000	5,620,000	287,472	292,192	297,029	42,103	44,431	49,816	16%	15%
San Simcon Area	684,338	712,500	750,000	1,456,873	1,597,633	1,624,081	1,560,269	1,655,715	1,856,308	107%	104%
Santa Cruz Coast Area	2,850,119	2,973,500	3,130,000	474,662	519,977	528,584	236,880	250,905	281,318	50%	48%
Shasta Area	34,228	33,250	35,000	42,384	45,556	46,311	4,336	4,573	5,128	10%	10%
Sierra Area	1,321,820	1,430,750	1,585,000	715,752	785,463	798,466	215,719	228,690	256,410	30%	29%
Sonoma Area	363,791	380,000	400,000	223,213	243,483	247,524	31,284	32,670	36,630	14%	13%
Tehama Area	68,434	71,250	75,000	62,172	67,549	68,668	11,028	11,107	12,454	18%	16%
Trinidad Area	432,850	451,250	475,000	225,150	246,635	250,718	84,280	88,862	99,633	37%	36%
Ventura Beaches Area	1,123,697	1,173,250	1,235,000	302,503	311,465	336,952	139,099	147,015	164,835	46%	47%
Weaverville Joss House Area	36,594	38,000	40,000	38,268	40,844	41,520	4,304	4,573	5,128	11%	11%
Will Rogers Area	176,875	180,500	190,000	187,708	209,198	209,198	24,309	25,482	28,571	13%	12%
TOTALS	43,984,960	45,870,750	48,345,000	\$14,313,846	\$15,659,398	\$15,938,957	\$6,156,111	\$6,514,361	\$7,326,000	43.0%	41.6%

46.6%

DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2	GRANTS TO LOCAL AGENCIES FOR RECREATION ^b			
3				
4	TOTALS, EXPENDITURES			
5	State funds (State Beach, Park, Recreational, and Historical			
6	Facilities Fund) ^a -----	\$5,440,364	\$5,448,901	\$1,088,820
7	Federal funds (Land and Water Conservation Fund) ^c -----	1,367,614	400,004	-
8	Totals -----	\$6,807,978	\$5,848,905	\$1,088,820
9				
10				
11	PROJECT DETAIL ^d			
12				
13	Alameda County			
14				
15	COYOTE HILLS REGIONAL PARK, East Bay Regional Park			
16	District -----	-	-	\$44,200
17	To complete development of facilities for boating, swimming,			
18	picnicking, camping, golf and hiking.			
19				
20	Alpine County			
21				
22	TURTLE ROCK PARK -----	-	-	5,000
23	For development of access roads, 10 campsites and concrete			
24	sump pit toilets.			
25				
26	Amador County			
27				
28	CHARLES S. HOWARD MEMORIAL PARK, City of Ione -----	-	\$37,500	-
29	For development including road, parking, utilities, and picnic			
30	facilities.			
31				
32	KENNEDY MINE TAILING WHEELS, City of Jackson -----	-	-	5,000
33	For development of sewer and water facilities, a parking area,			
34	historical site, and picnic facilities.			
35				
36	KENNEDY MINE TAILING WHEELS REGIONAL PARK,			
37	City of Jackson -----	-	37,500	-
38	For development of picnic area and restoration work on the			
39	tailing wheels.			
40				
41	Butte County			
42				
43	HOOVER OAK-FIVE MILE LAKE, City of Chico -----	-	-	5,000
44	For development of picnic areas adjacent to existing beach and			
45	swim area.			
46				
47	Calaveras County			
48				
49	FROGTOWN RECREATION DEVELOPMENT, 39th District			
50	Agricultural Association -----	-	75,000	-
51	For development including camping, picnicking, parking and rec-			
52	reational facilities.			
53				
54	FROGTOWN RECREATION DEVELOPMENT, 39th District			
55	Agricultural Association -----	-	-	5,000
56	To provide a lighting system for outdoor recreation.			
57				
58	Colusa County			
59				
60	LETTS VALLEY RECREATION AREA -----	-	75,000	-
61	For development of camping and picnicking facilities.			
62				
63	LETTS VALLEY RECREATION AREA -----	-	-	5,000
64	For development of picnic and camp facilities in the lower Letts			
65	Lake area.			
66				
67	Contra Costa County			
68				
69	LAS TRAMPAS REGIONAL PARK, East Bay Regional Park			
70	District -----	-	-	26,300
71	For development of a water system, parking area, and picnic			
72	facility including tables, drinking fountains, barbecue pits			
73	and chemical toilets.			
74				
75	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2	PROJECT DETAIL—Continued			
3	Contra Costa County—Continued			
4	MINES AREA REGIONAL PARK, East Bay Regional Park			
5	District -----	-	250,000	-
6	For acquisition of approximately 1,450 acres for recreation purposes.			
7	JOHN MARSHALL HISTORICAL REGIONAL PARK, East			
8	Bay Regional Park District -----	-250,000	-	-
9	For acquisition of approximately 800 acres and restoration of the John Marshall home, adobe, and Indian campground.			
10	Del Norte County			
11	FLORENCE KELLER REGIONAL PARK -----			
12	For development of a 29-acre park including a group picnic area, hiking trails, a rest stop area, and an open area playing field.	46,000	506	-
13	FLORENCE KELLER REGIONAL PARK -----			
14	For further development of picnic, trail, restroom and group use facilities.	-	-	5,000
15	El Dorado County			
16	EL DORADO COUNTY HISTORICAL MUSEUM -----			
17	For development of museum building, parking area and picnic area.	-	104,850	5,000
18	Fresno County			
19	KINGS RIVER GREEN BELT RECREATION PARK -----			
20	Provides for the acquisition of 125 acres. Future development of the project will include family and group picnicking, fishing, boating, camping, hiking, and nature studies.	-	95,320	-
21	KINGS RIVER GREEN BELT RECREATION PARK -----			
22	For development of facilities to provide for family and group picnicking, fishing, camping and sanitary units.	-	-	19,500
23	LATON-KINGSTON REGIONAL PARK, Counties of Fresno and Kings			
24	<i>State Beach, Park, Recreational and Historical Facilities Fund</i>			
25	Acquisition of approximately 180 contiguous acres in Fresno and Kings counties, on the north and south banks of the Kings River.	-47,000	47,000	-
26	Glenn County			
27	OROBEND PARK -----			
28	For acquisition and development of approximately 90 acres for recreation facilities.	-	75,000	-
29	OROBEND PARK -----			
30	To complete development of boating facilities, roads and parking areas, picnicking area, swimming area and hiking trails.	-	-	5,000
31	Humboldt County			
32	BIG LAGOON PARK -----			
33	For acquisition and development of 35 acres for recreational purposes including boating facilities.	-	121,200	-
34	CLAM BEACH PARK -----			
35	For development of parking, restrooms, picnic units, and utilities.	-	75,000	-
36	CLAM BEACH PARK -----			
37	To continue development of parking, restroom, and picnic facilities including landscaping.	-	-	5,000
38	Imperial County			
39	HEBER BEACH SAND DUNES -----			
40	For development of sanitary facilities, picnic units, and parking.	-	30,000	-
41	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2				
3	PROJECT DETAIL—Continued			
4				
5	Imperial County—Continued			
6				
7	NILAND MARINA -----	-	53,500	-
8	For development of sanitary facilities, campsites, and trailer			
9	stations.			
10				
11	PALO VERDE PARK -----	-	5,000	-
12	For development of picnic, camp, lighting, and sanitary facilities.			
13				
14	RED HILL MARINA -----	-	7,500	-
15	For development of marina and boat storage facilities.			
16				
17	RED HILL MARINA -----	-	-	5,000
18	To continue development of a marina and boat storage facility.			
19				
20	SUNBEAM LAKE -----	-	25,000	-
21	For development of restroom, shower, and trailer facilities, and			
22	play equipment.			
23				
24	WIEST LAKE RECREATIONAL AREA -----	-	20,000	-
25	For development of boat storage facilities, camping area, water			
26	and sewage facilities, and a recreation building.			
27				
28	Inyo County			
29				
30	EAST BISHOP LAKE AND PARK -----	-	75,000	-
31	For development of water-sport facilities and marina, and family			
32	camping and picnic units.			
33				
34	EAST BISHOP LAKE AND PARK -----	-	-	5,000
35	Development to add facilities for fishing, boating, swimming,			
36	family and group camping and picnicking, nature area and			
37	riding trails, to existing project.			
38				
39	Kern County			
40				
41	BUENA VISTA AQUATIC RECREATION AREA -----	-	359,220	-
42	For development of recreational facilities including roads, park-			
43	ing, picnic areas, and playgrounds.			
44				
45	KERN RIVER STATE PARK -----	-	-	14,600
46	For development of sanitary facilities, roads, irrigation system			
47	and landscaping for camp and picnic areas.			
48				
49	KERN RIVER STATE PARK DEVELOPMENT			
50	Land and Water Conservation Fund -----	165,620 c	-	-
51	A 55-acre site will be developed by providing access roads,			
52	restrooms, picnic units, camping sites, water supply and a			
53	riding and hiking trail.			
54				
55	Kings County			
56				
57	CORCORAN REGIONAL PARK -----	28,000	39,200	-
58	For acquisition of 180 acres and for development of the re-			
59	gional park to include picnicking, boating, riding, hiking,			
60	golf, walking, and rodeo facilities.			
61				
62	LATON-KINGSTON REGIONAL PARK -----	-	-	5,000
63	For development of water-related recreation facilities such as			
64	boating, fishing and swimming.			
65				
66	LATON-KINGSTON REGIONAL PARK DEVELOPMENT --	-	50,000	-
67	For development of trails, landscaping and parking.			
68				
69	Lake County			
70				
71	AUSTIN BEACH PARK -----	-	-	5,000
72	To continue development of beach and picnic facilities to in-			
73	clude swimming.			
74				
75	Lassen County			
76				
77	BIEBER PARK -----	-	16,250	-
78	For development of recreational facilities including picnic areas,			
79	water system, playground equipment, and tennis courts.			
80				
81	CLEAR CREEK PARK -----	-	16,250	-
82	For development of camp and picnic units, fishing pier, rest-			
83	rooms, parking, and access road.			
84				
85	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
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4				
5				
6	Lassen County—Continued			
7				
8	CLEAR CREEK PARK -----	-	-	5,000
9	To continue development of camp and picnic areas, fishing pier,			
10	restrooms, access roads and parking areas.			
11				
12	JANESVILLE PARK -----	-	20,250	-
13	For development of picnic units, water system, and playground			
14	equipment.			
15				
16	SUSANVILLE PARK, City of Susanville			
17	<i>State Beach, Park, Recreational and Historical Facilities Fund</i>	-	22,250	-
18	<i>Land and Water Conservation Fund</i> -----	-	20,727 c	-
19	For development including water system, restroom facilities,			
20	and fencing.			
21				
22	Los Angeles County			
23				
24	CHATSWORTH PARK ADDITION, City of Los Angeles -----	-	9,602	-
25	For acquisition of 5 acres to be added to existing recreational			
26	facility.			
27				
28	EL DORADO PARK (EAST) ADDITIONAL DEVELOPMENT	-	114,659	-
29	For development of a trailer park site and picnicking, camping,			
30	and riding and hiking facilities in the existing 418-acre park.			
31				
32	GANESHA PARK ADDITION, City of Pomona -----	25,503	-	-
33	For additional development at the park to provide picnicking,			
34	sanitary facilities, hiking trails, and day camping.			
35				
36	GRIFFITH PARK, City of Los Angeles -----	985,716	-	-
37	For development of a 55-acre area for picnicking, camping and			
38	hiking. Also for development of natural interpretation com-			
39	plex consisting of a 300-seat amphitheater, a park ranger			
40	headquarters, a nature center, exhibits, a 200-seat lecture			
41	hall, parking facilities, and a guided nature walk trail			
42	system.			
43				
44	MONROVIA CANYON PARK, City of Monrovia -----	9,485	-	-
45	For acquisition and development of 80 acres to be added to the			
46	existing park. Development of the additional acreage will			
47	include picnic facilities, hiking trails, amphitheater, archery			
48	range, outdoor camping sites, and restrooms.			
49				
50	OAK GROVE COUNTY PARK -----	186,119	42,776	-
51	For development of a seven-acre reservoir adjacent to the exist-			
52	ing picnic areas and playfields. The reservoir will provide			
53	recreational activities such as boating, fishing, and swim-			
54	ming.			
55				
56	SANTA MONICA STATE BEACH DEVELOPMENT, City of			
57	Santa Monica -----	-	20,000	-
58	For redevelopment of parking facilities for all beach-use areas.			
59	Provide food concession stands to provide refreshments to			
60	beach users.			
61				
62	SANTA MONICA STATE BEACH LANDSCAPING, City of			
63	Santa Monica -----	27,800	-	-
64	For a landscaping project, particularly to plant palm trees			
65	(<i>Washington robusta</i>) in clumps to improve the appearance			
66	of the beach area.			
67				
68	SEPULVEDA DAM RECREATION AREA DEVELOPMENT,			
69	City of Los Angeles			
70	<i>Land and Water Conservation Fund</i> -----	166,667 c	-	-
71	Eighty acres of a 1,619-acre park will be developed by providing			
72	access roads, parking lot, picnic units, landscaping, water			
73	supply system and restrooms.			
74				
75	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2				
3	PROJECT DETAIL—Continued			
4				
5	Los Angeles County—Continued			
6				
7	STOUGH PARK, City of Burbank -----	179,576	-	-
8	For development and park beautification including landscaping,			
9	installation of a sprinkler system, comfort stations, picnic-			
10	ing and playground areas, a parking lot, and observation			
11	points.			
12				
13	SOUTH TORRANCE BEACH ACQUISITION			
14	Land and Water Conservation Fund -----	-	85 c	-
15	For acquisition of 2.41 acres of beach area to be added to the			
16	Redondo Beach State Park and developed for beach play,			
17	swimming and sunbathing.			
18				
19	REPETTO REGIONAL PARK, Cities of Monterey Park and			
20	Montebello -----	-127,000	-	-
21	Acquisition of approximately 200 acres for a park.			
22				
23	TORRANCE REGIONAL PARK ADDITION, City of Torrance	39,414	-	-
24	For acquisition of one acre to complete the natural boundaries			
25	of the existing 50-acre park. The funds will also be used			
26	for construction of playgrounds, playing fields for various			
27	sports, picnic areas, and walking paths.			
28				
29	VASQUEZ REGIONAL PARK -----	-	98,579	-
30	Acquisition of approximately 700 acres to preserve unique scenic			
31	and geological features. Development will include camping,			
32	primitive picnic areas, trails and overlooks.			
33				
34	VASQUEZ ROCKS COUNTY PARK -----	-	-	301,400
35	For development of facilities for camping, picnicking, hiking and			
36	interpretation of unique Indian habital sites.			
37				
38	VERDUGO MOUNTAINS SCENIC DRIVE AND CONSERVA-			
39	TION PARK AREA, City of Glendale -----	246,600	-	-
40	For acquisition of 290 acres for development of a mountaintop,			
41	scenic parkway and scenic corridor with turnouts for ob-			
42	servation points and picnic areas. This acquisition will			
43	enable the city to tie together existing publicly owned park			
44	and conservation lands.			
45				
46	WHITTIER NARROWS DAM RECREATION AREA -----	-	163,661	-
47	For development of playing fields, access roads, and parking.			
48				
49	Madera County			
50				
51	TOWN AND COUNTRY PARK, City of Madera -----	-	75,000	-
52	For acquisition of additional five acres and development of 50			
53	acres for recreational purposes.			
54				
55	TOWN AND COUNTRY PARK, City of Madera -----	-	-	5,000
56	For development of a multipurpose recreation area including			
57	facilities for baseball and picnicking.			
58				
59	Marin County			
60				
61	BAY FRONT (CHINA CAMP) COUNTY PARK			
62	State Beach, Park, Recreational, and Historical Facilities			
63	Fund -----	86,250	-	-
64	Land and Water Conservation Fund -----	82,868 c	-	-
65	For the acquisition of 29 acres of land and 69 acres of water			
66	located on the north shore of San Pedro Point.			
67				
68	DEER PARK—PHOENIX LAKE COUNTY PARK			
69	Land and Water Conservation Fund -----	-	36,750 c	-
70	For the development of 560 acres of land. Initial development			
71	will include improvement in road access, restroom units,			
72	development of parking, picnic and camping areas, and ex-			
73	ension of utilities.			
74				
75	McNEAR BEACH PARK -----	-	-	10,800
76	For development of facilities for water oriented recreation—			
77	fishing, swimming, and picnicking.			
78				
79	STAFFORD LAKE COUNTY PARK -----	-	69,650	-
80	For development of 135 acres for group picnic facilities, day			
81	and organized group camping, hiking trails and fishing			
82	facilities.			
83				
84	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2	PROJECT DETAIL—Continued			
3	Mariposa County			
4	FREMONT FORT COMPLEX -----			
5	For acquisition and development of 50 acres. Development in-	-	75,000	-
6	cludes access roads, parking areas, fort restoration, picnic			
7	areas and hiking trails.			
8	MARIPOSA REGIONAL PARK -----			
9	For development of a tennis court with fence and lighting.	-	-	5,000
10	Mendocino County			
11	LOW GAP REGIONAL PARK -----			
12	For development of 260 acres to provide picnic areas, day	-	73,850	-
13	campsites, access roads, a domestic water system, sanitary			
14	facilities, hiking and riding trails, playgrounds, and chil-			
15	dren's fishing pool.			
16	LOW GAP REGIONAL PARK -----			
17	For development of a play area for small children.	-	-	5,000
18	Merced County			
19	BEAR CREEK PARKWAY, City of Merced -----			
20	For development of roads and parking, walkways, restrooms,	-	12,095	-
21	play equipment, and landscaping.			
22	HENDERSON PARK -----			
23	For development of picnic area, water system, restrooms, and	-	29,900	-
24	roads and parking.			
25	HENDERSON PARK -----			
26	For development of new well and water system for family and	-	-	5,000
27	group picnic facilities.			
28	LAKE YOSEMITE PARK ADDITION -----			
29	Complete acquisition of approximately 173 acres adjoining the	-	11,705	-
30	existing 600-acre park and develop picnic areas, boat ramps,			
31	and recreation areas.			
32	MERCED COUNTY CAPITAL DEVELOPMENT PROJECT -----			
33	For construction in three park units: an outdoor kitchen build-	38,000	-	-
34	ing and additional picnic space at Hogaman Park; a new			
35	well and pump and parking area at Henderson Park; and			
36	a new well and parking lot resurfacing at Lake Yosemite.			
37	Modoc County			
38	MODOC COUNTY COMMUNITY PARKS -----			
39	To provide playground equipment.	-	-	5,000
40	Mono County			
41	MONO COUNTY RECREATION PARK			
42	State Beach, Park, Recreational, and Historical Facilities			
43	Fund -----	-	75,000	5,000
44	Land and Water Conservation Fund -----	-	72,030 c	-
45	For development including, access roads, parking, picnic areas,			
46	and utilities.			
47	Monterey County			
48	TORO PARK -----			
49	For development to provide installation of irrigation system for	-	-	11,800
50	play area.			
51	Napa County			
52	OLD BALE MILL -----			
53	For construction of sanitary facilities for visitor use, and a new	9,000	-	-
54	split-shake roof for the mill itself.			
55	OLD BALE MILL -----			
56	Development to provide picnic facilities, a roadside rest and a	-	-	5,000
57	historical monument.			
58	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2	PROJECT DETAIL—Continued			
3				
4				
5				
6	Nevada County			
7				
8	CONDON PARK, City of Grass Valley			
9	State Beach, Park, Recreational and Historical Facilities			
10	Fund -----			
11	Land and Water Conservation Fund -----			
12	Develop area for day camping, archery, paved-court games, base-			
13	ball field, children's playgrounds, arboretum, and a swim-			
14	ming pool.			
15				
16	TRUCKEE RIVER REGIONAL PARK, Truckee-Donner Recre-			
17	ation and Park District			
18	Land and Water Conservation Fund -----			
19	Develop area for hiking, fishing, picnicking, camping, nature			
20	study, winter sports, and sightseeing.			
21				
22	Orange County			
23				
24	FULLERTON DAM REGIONAL PARK -----			
25	For acquisition of 60 acres adjacent to the federal Fullerton			
26	Dam project. Developments will include 280 picnic units,			
27	180 day-camp units, a natural area, amphitheater, com-			
28	fort stations, group camping, archery area, riding and			
29	hiking trails, and administrative guidance center.			
30				
31	LAGUNA NIGUEL REGIONAL PARK -----			
32	For preparation of the initial design plans for a recreational			
33	complex which will include 367 picnic units, facilities for			
34	boating and fishing, a nature study area, trails and play-			
35	fields.			
36				
37	MILE SQUARE REGIONAL PARK -----			
38	For development of 350 acres located two miles south of the City			
39	of Santa Ana. Grant funds will be used for grading, land-			
40	scaping, underground electrical and sprinkler systems, and			
41	offstreet parking. Other development will include camping,			
42	an historical village, outdoor museum, botanical gardens,			
43	fishing ponds, and picnic areas.			
44				
45	MILE SQUARE REGIONAL PARK -----			
46	For development to provide a maintenance building, bicycle			
47	way and street furniture.			
48				
49	O'NEILL REGIONAL PARK -----			
50	For development of visitor center and access roads.			
51				
52	SYCAMORE FLAT REGIONAL PARK			
53	Land and Water Conservation Fund -----			
54	Current year expenditures represent the completion of acquisi-			
55	tion and development for development of 160 acres of ap-			
56	proximately 300 that are to be acquired. Development in-			
57	cludes several small lagoons, camping and picnicking areas,			
58	and open turf areas.			
59				
60	UNIVERSITY REGIONAL PARK -----			
61	Development of large recreational area with focal points of 35-			
62	acre lake, walkways, bike trails, open-field turf areas, and			
63	550 random picnic units.			
64				
65	Placer County			
66				
67	BEAR RIVER INLAND FISHING ACCESS -----			
68	To continue development of picnic, camping, fishing and biking			
69	facilities.			
70				
71	LINCOLN MISSILE SITE -----			
72	Acquisition and development of 51 acres to use for rodeo ground,			
73	sneet and trapshooting, picnicking and outdoor play area.			
74				
75	McBEAN MEMORIAL PARK, City of Lincoln -----			
76	For development at the existing 27-acre park including an under-			
77	ground sprinkler system and other general improvements.			
78				
79	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2	PROJECT DETAIL—Continued			
3				
4				
5	Plumas County			
6				
7	TAYLORSVILLE COUNTY PARK -----	-	-	5,000
8	To provide grading and landscaping of beach and picnic areas			
9	and development of water system.			
10				
11	Riverside County			
12				
13	BOGART PARK -----	108,000	-	-
14	For development of the 334-acre park including roads and park-			
15	ing, a water system, and delineation of campsites, picnic			
16	areas, and a maintenance and storage building.			
17				
18	COLLIS MAYFLOWER PARK			
19	Land and Water Conservation Fund -----	-	68,579 c	-
20	Acquire 52 acres for boating, camping, picnicking, fishing, and			
21	water skiing.			
22				
23	FAIRMOUNT PARK, City of Riverside -----	-	90,000	-
24	For development of picnic sites, hiking area, and fishing access.			
25				
26	GAVILAN HILLS, JUNIPER GROVE PARK			
27	Land and Water Conservation Fund -----	201,645 c	-	-
28	Acquire 788 acres for camping, riding and hiking trails, picnic-			
29	ing, sightseeing, and a nature reserve.			
30				
31	LAKE CAHUILLA REGIONAL PARK			
32	State Beach, Park, Recreation, and Historical Facilities Fund	-	135,058	-
33	Land and Water Conservation Fund -----	-	129,656 c	-
34	For development including picnic sites, access road, utilities, and			
35	parking.			
36				
37	McCALL MEMORIAL PARK -----	-19,986	19,986	-
38	For acquisition of 75 acres to be added to an existing 12-acre			
39	area. Multiple recreation development is planned for the			
40	future.			
41				
42	PRADO BASIN REGIONAL PARK -----	-	182,553	21,800
43	For development of picnic sites, camping areas, restrooms, park-			
44	ing, and access roads.			
45				
46	SAN JACINTO RIVER PARK -----	62,500	-	-
47	For acquisition of a 100-acre area for ultimate development of			
48	camping, picnicking, riding and hiking, and nature walk			
49	facilities.			
50				
51	VALLEY HI PARK -----	67,000	-	-
52	For acquisition of 50 acres to be developed for camping, picnic-			
53	ing, fishing, a nature trail, and riding and hiking trails.			
54				
55	WILLIS PALMS OASIS			
56	Land and Water Conservation Fund -----	-	37,403 c	-
57	Acquire 110 acres for nature reserve, camping, hiking, picnicking			
58	and vista points.			
59				
60	Sacramento County			
61				
62	AMERICAN RIVER PARKWAY—WATT AVENUE TO CAM-			
63	PUS COMMONS AREA -----	-	87,300	-
64	For acquisition of 190 acres for water-oriented recreation.			
65				
66	ANCIL HOFFMAN PARK—NATURE AREA -----	-34,486	34,486	-
67	For development of an existing 75 acres to include a water			
68	system, restrooms, nature museum and trail improvement.			
69				
70	CARMICHAEL PARK, Carmichael Recreation and Park Dis-			
71	trict -----	33,750	-	-
72	For construction of tennis courts; a storage and materials			
73	building; sidewalks, curbs, and gutters for public safety;			
74	for landscaping in various sections of the park.			
75				
76	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
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3				
4	PROJECT DETAIL—Continued			
5				
6	Sacramento County—Continued			
7				
8	C. M. GOETHE COUNTY PARK -----	-2,116	2,116	-
9	Development provides minimal domestic and irrigation water			
10	lines in this partially developed county park.			
11				
12	DISCOVERY COUNTY PARK -----	-	-	32,700
13	For development to widen an existing boat launching ramp,			
14	provide more parking, extend the water system, and install			
15	additional turf and trees.			
16				
17	ORANGEVALE COMMUNITY PARK -----	-	27,750	-
18	Acquisition of 50 acres for recreational purposes.			
19				
20	RIO LINDA CENTRAL PARK -----	-	10,125	-
21	For development including playing fields, walkways, and picnic			
22	areas.			
23				
24	SOUTHSIDE AMERICAN RIVER PARKWAY—LOWER SUN-			
25	RISE PORTION -----	-14,520	14,520	-
26	For development of an existing 52.4 acres to include picnic and			
27	camp areas, water supply system, restrooms, access roads and			
28	fishing sites.			
29				
30	San Benito County			
31				
32	BOLADO PARK -----	-	-	5,000
33	For development to provide facilities for camping, hiking, bicycle			
34	riding, horseriding and games to tie in with facilities now			
35	available.			
36				
37	San Bernardino County			
38				
39	BIG BEAR REGIONAL PARK -----	125,000	-	-
40	For acquisition of 50 acres with 1,800 feet of frontage on Big			
41	Bear Lake. Proposed recreational activities include picnick-			
42	ing and swimming.			
43				
44	CALICO GHOST TOWN REGIONAL PARK -----	75,000	500	-
45	For development including additional campsites, parking, a new			
46	entrance road and entrance station, and a water system.			
47				
48	COPPER MOUNTAIN REGIONAL PARK -----	35,000	-	-
49	For the development of 630 acres of land located at the western			
50	foot of the Copper mountains. Development will include			
51	swimming, boating, picnicking, and camping facilities.			
52				
53	CUCAMONGA-GUASTI REGIONAL PARK			
54	State Beach, Park, Recreational, and Historical Facilities Fund	-	300,000	-
55	Land and Water Conservation Fund -----	-	166,500 c	-
56	For acquisition of 18 acres and development of 100 acres includ-			
57	ing swimming area and beach, picnic units, landscaping,			
58	roads, and parking.			
59				
60	GLEN HELEN REGIONAL PARK -----	-	-	30,100
61	For development of 45 additional campsites including support			
62	facilities and landscaping.			
63				
64	PRADO REGIONAL PARK -----	-300,000	-	-
65	For initial development of 2,113 acres to include access roads,			
66	boat launching ramps, swimming and picnic facilities.			
67				
68	WARM CREEK REGIONAL PARK -----	-	450,000	-
69	For acquisition and development of 75 acres for picnic sites,			
70	riding and hiking trails, parking, and sanitary facilities.			
71	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2	PROJECT DETAIL—Continued			
3				
4				
5				
6	San Diego County			
7				
8	GUAJOME REGIONAL PARK-----	1,000,000	-	-
9	For acquisition of 640 acres to provide such recreational uses			
10	as picnicking, camping, boating, swimming, and hiking.			
11				
12	GUAJOME REGIONAL PARK-----	-	-	56,900
13	For development of facilities for picnicking, swimming, boating			
14	and hiking.			
15				
16	LOS PENASQUITOS REGIONAL PARK-----	1,000,000	-	-
17	For acquisition of 565 acres to be developed into a regional			
18	county park with picnicking, camping, and riding and hik-			
19	ing facilities.			
20				
21	SWEETWATER RESERVOIR REGIONAL PARK-----	389,500	-	-
22	For acquisition of 1,300 acres including the reservoir for de-			
23	velopment of picnicking, camping, boating, swimming, and			
24	recreational trail facilities.			
25				
26	San Francisco County			
27				
28	LAKE MERCED RECREATION AREA, City of San Francisco	-	-	26,800
29	To continue development of facilities for picnicking, field sports,			
30	fishing, boating and hiking.			
31				
32	San Joaquin County			
33				
34	B AND L RANCH OAK GROVE-----	-	-	12,300
35	For development to provide roads, trails, parking lots, water			
36	supply and entrance structure.			
37				
38	B AND L RANCH OAK GROVE ADDITION-----	106,650	-	-
39	For acquisition and development of 170 acres for recreational			
40	use including picnicking, nature study, camping, and riding			
41	and hiking.			
42				
43	LODI LAKE MUNICIPAL PARK, City of Lodi-----	63,360	-	-
44	For acquisition of 58 acres in addition to the existing lake and			
45	park lands. Recreational uses will include fishing, boating,			
46	riding, camping, and swimming.			
47				
48	SOUTH COUNTY REGIONAL PARK-----	160,000	-	-
49	For acquisition and development of 150 acres for recreational			
50	use including camping, picnicking, nature study, fishing,			
51	boating, and swimming.			
52				
53	San Luis Obispo County			
54				
55	ATASCADERO COUNTY PARK-----	38,600	40,000	-
56	For acquisition of 1 acre and development of restrooms, grading			
57	and construction of parking areas, development of picnic			
58	facilities and tree planting on the existing 61-acre project.			
59				
60	ATASCADERO COUNTY PARK-----	-	-	5,500
61	For development to provide group and family picnicking facili-			
62	ties, field sport area, swimming area, boat facilities, and			
63	other open-space activity games.			
64				
65	San Mateo County			
66				
67	PESCADERO CREEK PARK-----	-	-	27,000
68	For development to provide facilities for camping, water supply,			
69	picnicking, day camps, hiking and riding trails, swimming,			
70	fishing, nature programs, and a wilderness area.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2				
3				
4	PROJECT DETAIL—Continued			
5				
6	Santa Barbara County			
7	CARPINTERIA VALLEY PARK	-	20,000	-
8	For acquisition and development of approximately 68.5 acres in			
9	the foothills near Carpinteria Valley and will be the only			
10	inland park serving this area. Approximately 47 of the total			
11	acreage are wooded hillsides and the remainder consists of			
12	flat lands. The project is designed for regional day use and			
13	will include picnicking, barbecue, riding and hiking trails,			
14	and informal game and sport areas.			
15				
16	LOS ALAMOS COUNTY PARK	-	23,750	-
17	For acquisition and development of 55 acres to be developed into			
18	a regional day-use recreation area. Develop area for day			
19	use, picnicking, hiking, informal games and sports.			
20				
21	NOJOQUI FALLS PARK	-	-	14,700
22	For development of additional facilities for picnicking, hiking,			
23	field sports and camping.			
24				
25	SANTA MARIA DUNES REGIONAL PARK			
26	State Beach, Park, Recreational and Historical Facilities			
27	Fund	-34,428	-	-
28	Land and Water Conservation Fund	-	60,058 c	-
29	For acquisition of 203 acres to be developed for regional day use			
30	and overnight camping.			
31				
32	SANTA YNEZ VALLEY PARK	-	35,000	-
33	For acquisition of 50 acres for recreational purposes.			
34				
35	WALLER COUNTY PARK	-	45,900	-
36	For development of utilities, restrooms, and recreational fa-			
37	cilities.			
38				
39	Santa Clara County			
40				
41	COYOTE RIVER PARKWAY	-	-	50,800
42	For development of picnic, riding, hiking and fixed archery fa-			
43	cilities.			
44				
45	Santa Cruz County			
46				
47	PINTO LAKE PARK, City of Watsonville	-	-	5,200
48	For development of hiking trails, small fishing ramps, brush			
49	clearing, benches and parking areas.			
50				
51	Shasta County			
52				
53	ANDERSON RIVER PARK, City of Anderson	60,000	17,500	-
54	For acquisition and development of 304 acres to include facilities			
55	for boating, camping, riding and hiking, and picnicking.			
56				
57	FORT CROOK MUSEUM	35,000	-	-
58	For construction of paving and walks throughout the museum			
59	area, picnic facilities, and landscaping. Also, some minor			
60	work will be done on existing buildings, and a larger display			
61	building will be erected for large museum pieces.			
62				
63	FORT CROOK MUSEUM	-	-	5,000
64	To continue development of the picnic and historical area.			
65				
66	TURTLE BAY, City of Redding	51,600	-	-
67	For development of 206 acres to include facilities for fishing and			
68	boating, riding and hiking, and picnicking.			
69				
70	Sierra County			
71				
72	LOYALTON RECREATION PROJECT, City of Loyalton	-	75,000	-
73	For development of swimming pool, picnic area, and playing field.			
74				
75	LOYALTON RECREATION PARK, City of Loyalton	-	-	5,000
76	To continue development of a swimming pool, picnic area, and			
77	baseball field.			
78				
79	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2	PROJECT DETAIL—Continued			
3	Siskiyou County			
4	DUNSMUIR CITY PARK, Dunsmuir Recreation District-----			
5	For development of 12 acres to include facilities for picnicking	40,000	-	-
6	and hiking. Access roads will also be constructed.			
7	HAPPY CAMP COMMUNITY PARK-----			
8	For development of 57 acres including an access road, parking	-	24,420	-
9	and picnic facilities, and improvements of the existing base-			
10	ball fields and fishpond area.			
11	MOUNT SHASTA CITY PARK, Mount Shasta Recreation District			
12	For development of 26 acres for recreational facilities, an out-	10,580	-	-
13	door lighting system, and expanded driveway and parking			
14	area.			
15	MOUNT SHASTA CITY PARK, Mount Shasta Recreation District			
16	For development of a water system for the park area.	-	-	5,000
17	Solano County			
18	HUNTER HILL REGIONAL PARK, Greater Vallejo Recreation			
19	District-----	-	82,000	-
20	For acquisition and development of 175 acres. Development in-			
21	cludes access roads, parking areas, and trails.			
22	LAGOON VALLEY			
23	Land and Water Conservation Fund-----	-	24,740 c	-
24	For acquisition of 50 acres near the City of Vacaville for park			
25	purposes.			
26	LAGOON VALLEY REGIONAL PARK, City of Vacaville-----			
27	For acquisition of 100 acres, and development including facilities	-	75,500	-
28	for swimming, camping and boating.			
29	LAKE SOLANO PARK-----			
30	For acquisition of 36 acres to supplement existing recreational	-	109,150	-
31	lands.			
32	LAKE SOLANO PARK-----			
33	For development of facilities for swimming, fishing, picnicking,	-	-	7,800
34	boating and camping.			
35	ROCKVILLE HILLS PARK, City of Fairfield-----			
36	For development including access roads, parking, and water	-	60,000	-
37	system.			
38	Sonoma County			
39	JENNER-RUSSIAN GULCH COUNTY PARK-----			
40	For acquisition of 300 acres to preserve its natural character,	150,000	-	-
41	develop it for picnicking, hiking, camping, ecological ex-			
42	ploration, and beach and ocean recreational activities.			
43	MOUNT HOOD COUNTY PARK			
44	State Beach, Park, Recreational, and Historical Facilities			
45	Fund-----	75,705	-	-
46	Land and Water Conservation Fund-----	72,030 c	705 c	-
47	For acquisition of 359 acres as an addition to 903 acres of			
48	Bureau of Land Management property.			
49	MOUNT HOOD COUNTY PARK-----			
50	For development of picnic and camp areas and roads.	-	-	9,300
51	STILLWATER COVE PARK-----			
52	For acquisition of 68 acres including coastal cove, redwood	-	83,235	-
53	grove, and streamside and meadow lands.			
54	Stanislaus County			
55	MODESTO RESERVOIR REGIONAL PARK			
56	Land and Water Conservation Fund-----	-1,790 c	1,790 c	-
57	For acquisition of approximately 800 acres of land adjacent to			
58	the existing reservoir to be used for day recreation and			
59	short-term overnight use.			
60	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2				
3	PROJECT DETAIL—Continued			
4				
5	Stanislaus County—Continued			
6				
7	MODESTO RESERVOIR -----	-	-	7,700
8	For development of picnic facilities, an access road and parking			
9	area, portable sanitary units, and planting of trees.			
10				
11	TUOLUMNE RIVER REGIONAL PARK, City of Modesto			
12	State Beach, Park, Recreational, and Historical Facilities			
13	Fund -----	-	50,150	-
14	Land and Water Conservation Fund -----	-	50,176 c	-
15	For acquisition of approximately 35 acres to provide a wide			
16	variety of day and overnight recreational facilities.			
17				
18				
19	Sutter County			
20				
21	FEATHER RIVER PARK			
22	State Beach, Park, Recreational, and Historical Facilities			
23	Fund -----	-	37,000	-
24	Land and Water Conservation Fund -----	-	15,399 c	-
25	For acquisition and development including boating and day-use			
26	facilities.			
27				
28	FEATHER RIVER COUNTY PARK -----	-	-	5,000
29	To complete development of boat launching, docking, marina, and			
30	picnicking facilities.			
31				
32	LIVE OAK RECREATION AREA -----	38,000	-	-
33	For development of 13 acres including a water system, an elec-			
34	trical system, a sanitation system, a group picnic area, and			
35	fencing.			
36				
37	Tehama County			
38				
39	MILL CREEK RECREATIONAL AREA			
40	Land and Water Conservation Fund -----	-	10 c	-
41	Acquisition and development of approximately 50 acres adjacent			
42	to the Sacramento River near the mouth of Mill Creek. De-			
43	velopment would include picnic and day camp areas, ball			
44	parks and boat launching access to the Sacramento River.			
45				
46	MILL CREEK RECREATIONAL AREA -----	-	-	5,000
47	Development to add a lighted external concrete basketball court,			
48	playground equipment, and Bar-B-Q's to existing park fa-			
49	cilities.			
50				
51	Trinity County			
52				
53	TRINITY COUNTY HISTORICAL PARK -----	-	-	5,000
54	For development including stream channel control, picnic and			
55	rest facilities, parking area improvements and outdoor dis-			
56	play of historical material.			
57				
58	Tulare County			
59				
60	BARTLETT PARK INTERNAL IMPROVEMENTS			
61	Land and Water Conservation Fund -----	-	43 c	-
62	For development of 35 acres to include a sprinkler system, road			
63	and parking areas, access to the river, new trees, and land-			
64	scaping.			
65				
66	KINGS RIVER PARK			
67	State Beach, Park, Recreational and Historical Facilities			
68	Fund -----	-103,000	-	-
69	Land and Water Conservation Fund -----	-	48,618 c	-
70	For acquisition of 70 acres scheduled for future multiple recrea-			
71	tional development.			
72				
73	KINGS RIVER REGIONAL PARK -----	-	103,000	-
74	For acquisition of 95 acres including some beach area, native			
75	trees and pasture lands.			
76				
77	KINGS RIVER REGIONAL PARK -----	-	-	7,800
78	For development to provide camping, picnicking and water-ori-			
79	ented recreation facilities along the Kings River.			
80				
81	For footnotes see the end of this agency presentation.			
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DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued			
2	PROJECT DETAIL—Continued			
3	Tulare County—Continued			
4	TULARE AIRPARK			
5	Land and Water Conservation Fund -----	43,830 c	-	-
6	For acquisition of 60 acres scheduled for future multiple recreational development.			
7	Tuolumne County			
8	BASIN CREEK PARK; Tuolumne Park, Parkways, and Recreation Dist. -----			
9	For development including, camp, picnic, and sanitary facilities, utilities, roads and trails.	-	20,000	-
10	COLUMBIA AIRPORT PARK -----			
11	For development including roads and parking, utilities, and day-use facilities.	-	55,000	-
12	TWIN HARTE PARK, Twain Harte Recreation and Park Dist.			
13	For development to provide facilities for picnicking, Bar-B-Q's, and children's play.	-	-	5,000
14	Ventura County			
15	BEARDSLEY PARK			
16	State Beach, Park, Recreational, and Historical Facilities Fund -----	109,828	-	-
17	Land and Water Conservation Fund -----	104,496 c	1,026 c	-
18	For the acquisition of 60 acres of land 10 miles northwest of the City of Camarillo for park purposes.			
19	PETIT REGIONAL PARK ACQUISITION, City of Oxnard			
20	Land and Water Conservation Fund -----	155,987 c	-	-
21	Acquisition of 50.2 acres 4 miles east of the City of Oxnard.			
22	SANTA ROSA VALLEY PARK ACQUISITION			
23	State Beach, Park, Recreational and Historical Facilities Fund -----	-	109,750	-
24	Land and Water Conservation Fund -----	-105,625 c	105,757 c	-
25	For acquisition of 50 acres scheduled for future scenic, natural, and recreational development.			
26	TAPO CANYON PARK ACQUISITION			
27	Land and Water Conservation Fund -----	268,520 c	-	-
28	For acquisition of 304 acres scheduled for future multiple recreational development.			
29	TAPO CANYON PARK -----			
30	For development of facilities for picnicking, camping, hiking, riding, and field sports.	-	-	20,100
31	Yolo County			
32	CANYON REGIONAL PARK			
33	State Beach, Park, Recreational, and Historical Facilities Fund -----	-	89,085	-
34	Land and Water Conservation Fund -----	-	54,415 c	-
35	For acquisition of 672 acres, and development of 40 acres including initial recreational facilities.			
36	CANYON REGIONAL PARK -----			
37	For development of a domestic water supply system for camping, picnicking, hiking and swimming area.	-	-	5,000
38	ELKHORN REGIONAL PARK -----			
39	For acquisition of 33 acres for future development of recreational facilities.	-	116,565	-
40	Yuba County			
41	BULLARDS BAR RESERVOIR, Yuba County Water Agency--			
42	For acquisition of 74 acres and development including campsites, picnic areas, and boating facilities.	-	94,800	-
43	BULLARDS BAR RESERVOIR, Yuba County Water Agency--			
44	For development to provide sewage facilities for marina and camp areas.	-	-	5,000
45	ANTICIPATED FEDERAL REIMBURSEMENTS -----			
46	For footnotes see the end of this agency presentation.	-	-508,903 c	-

DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
1	GRANTS TO LOCAL AGENCIES FOR RECREATION—Continued				
2	PROJECT DETAIL—Continued				
3	PROJECT REVIEW, Department of Parks and Recreation				
4	State Beach, Park, Recreational and Historical Facilities				
5	Fund	81,364	81,622	88,820	
6	Land and Water Conservation Fund	140,186 c	13,976 c	—	
7	TOTAL EXPENDITURES, GRANTS TO LOCAL AGENCIES				
8	FOR RECREATION PROJECTS	\$6,807,978	\$5,848,905	\$1,088,820	
9	State Beach, Park, Recreational and Historical Facilities				
10	Funds a	5,440,364	5,448,901	1,088,820	
11	Federal funds c	1,367,614	400,004	—	
12	RECAPITULATION BY OBJECT				
13	NO. OF POSITIONS			ACTUAL	ESTIMATED
14	69-70 70-71 71-72			1969-70	1970-71
15	(filled) (Avib.) (Avib.)				1971-72
16	STATE OPERATIONS				
17	PERSONAL SERVICES				
18	Net salaries and wages	1,626.1	1,653.3	1,689.4	\$13,353,135
19	Staff benefits	—	—	—	1,559,336
20	Totals, Personal Services	1,626.1	1,653.3	1,689.4	\$14,912,471
21	OPERATING EXPENSES AND EQUIPMENT				
22	General expense				\$464,340
23	Printing				\$516,465
24	Communications				226,108
25	Contract services				174,783
26	Travel				293,056
27	Facilities expense				331,413
28	Equipment				667,998
29	Totals, Operating Expenses and Equipment				557,576
30					869,126
31					2,525,486
32					558,988
33					689,007
34					975,397
35					2,820,862
36					675,759
37					\$5,553,777
38					\$5,791,038
39					\$6,163,347
40	MINOR CAPITAL OUTLAY				
41	Totals, Expenditures				—
42	Reimbursements				—
43	Totals, Expenditures				\$713,975
44	General Fund				\$20,466,248
45	Harbors and Watercraft Revolving Fund				\$22,067,263
46	Special Deposit Fund				\$23,623,690
47					-1,487,099
48					-1,565,431
49					\$18,979,149
50					\$20,501,832
51					\$21,128,855
52					18,979,149
53					20,358,832
54					143,000
55					169,000
56					510,000
57	LOCAL ASSISTANCE				
58	Grants to local agencies for recreation				\$6,807,978
59	State Beach, Park, Recreational, and Historical Facilities Fund				\$5,848,905
60	Federal funds				\$1,088,820
61					5,440,364
62					5,448,901
63					1,088,820
64					—
65					—
66					—
67					—
68					—
69					—
70					—
71	APPROPRIATIONS				
72	Support, Item 207 (General Fund)				\$19,038,075
73	Support, Item 208 (General Fund)				1,411,780
74	Support, Item 209 (Harbors and Watercraft Revolving Fund)				169,000
75	Support, Item 210 (Special Deposit Fund)				510,000
76	Local assistance, Item 311 (State Beach, Park, Recreational, and Historical Facilities Fund)				1,000,000
77	Local assistance, Item 312 (State Beach, Park, Recreational, and Historical Facilities Fund)				88,820
78	REVENUES				
79	General Fund	\$6,463,245	\$6,650,000	\$7,450,000	
80	a Expenditures from bond funds not included in overall budget totals.				
81	b Federal grants and expenditures therefrom are not included in the overall budget totals. Detail not shown pursuant to Chapter 940, Statutes of 1970.				
82	c Federal Land and Water Conservation funds deposited in and appropriated from the State Beach, Park, Recreational, and Historical Facilities Fund.				
83	d From the State Beach, Park, Recreational, and Historical Facilities Fund unless otherwise indicated.				

DEPARTMENT OF PARKS AND RECREATION—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	Department of Parks and Recreation—Capital Outlay			
2				
3				
4	Major projects -----	\$9,753,604	\$31,996,450	\$27,558,112
5	Minor projects -----	705,678	325,300	-
6				
7	TOTALS, EXPENDITURES, CAPITAL OUTLAY -----	\$10,459,282	\$32,321,750	\$27,558,112
8	General Fund -----	4,955,680	3,965,439	100,000
9	Special Deposit Fund -----	-	-	460,000
10	State Beach, Park, Recreational and Historical Facilities Fund ^g -----	5,293,156	27,378,133	18,354,844
11	Harbors and Watercraft Revolving Fund ⁱ -----	210,446	778,100	-
12	Motor Vehicle Transportation Tax Fund -----	-	78	-
13	Highway Users Tax Fund -----	-	200,000	-
14	Recreation and Fish and Wildlife Enhancement Fund -----	-	-	8,643,268
15	Clean Water Bond Fund -----	-	-	(2,105,500)

GENERAL ANALYSIS

Program and Objectives

The Department of Parks and Recreation, under policy direction from the State Park and Recreation Commission, is responsible for the acquisition, development, and operation of the state park system. A number of units of this system are operated under agreement by other governmental agencies. The three essential objectives of the department in administering the state park system are to make the necessary plans, investigations, and surveys which will enable them to acquire and develop areas of statewide importance.

Department proposals for the acquisition of additional state park property and for the development of recreational facilities are the product of the Statewide Recreation Planning Program, which considers both the demand for outdoor recreation facilities and the supply. The program identifies the general recreation needs throughout the state, regardless of particular source of supply, that is, state, local, private, or federal.

Within the framework established by the Statewide Recreation Planning Program a State Park System Plan has been developed which provides 5-year and 20-year projections, project priorities, and project development requirements. Pursuant to this, specific project plans can be prepared that lead directly to proposals for acquisition and development of units to be added to the state park system. Once a unit is es-

tablished as part of the state park system, capital outlay expenditures for maintenance and upkeep are necessary.

Budget Year Discussion

This budget proposes expenditures of \$27,558,112 for the purpose of providing the essential planning, acquisition, and development to meet the needs of the state park system for the 1971-72 fiscal year. Funding for acquisition projects is from the State Beach, Park, Recreational, and Historical Facilities Fund, while funding for major construction projects is proposed from the Special Deposit Fund, the General Fund, the Clean Water Bond Fund, the Recreation and Fish and Wildlife Enhancement Bond Fund, and the State Beach, Park, Recreational, and Historical Facilities Fund. Minor capital outlay construction projects are also proposed for a number of units in the state park system. However, funding for minor capital outlay appears as a category in the departmental support budget.

Capital outlay projects proposed for funding from the Harbors and Watercraft Revolving Fund are included in the budget of Department of Navigation and Ocean Development. The Department of Navigation and Ocean Development is now responsible for the planning, design, and development of boating facilities as provided in the Governor's Reorganization Plan Number 2 of 1969.

APPROPRIATIONS

Capital outlay, Item 306 (General Fund) -----	\$100,000
Capital outlay, Item 307 (Special Deposit Fund) -----	460,000
Capital outlay, Item 313 (State Beach, Park, Recreational and Historical Facilities Fund) -----	5,485,700
Capital outlay, Item 314 (State Beach, Park, Recreational and Historical Facilities Fund) -----	12,734,144
Capital outlay, project planning, Item 315 (State Beach, Park, Recreational and Historical Facilities Fund) -----	135,000
Capital outlay, Item 327 (Recreation and Fish and Wildlife Enhancement Fund) -----	7,020,140
Capital outlay, project planning, Item 328 (Recreation and Fish and Wildlife Enhancement Fund) -----	1,047,728
Capital outlay, Item 329 (Recreation and Fish and Wildlife Enhancement Fund) -----	575,400
Other:	
Capital outlay (Clean Water Bond Fund) -----	(2,105,500)

* Minor capital outlay is reflected in the state operations budget beginning in 1971-72.

RECLAMATION BOARD

Headquarters Office at Sacramento

GENERAL ANALYSIS

The board, since 1911, has participated with the Corps of Engineers in the construction of major flood control project works in the central valley. The board's primary activity is the acquisition of right of way for federally constructed levee and channel projects. The board also offers the corps other federally required assurances (maintenance and operation, freedom from liability) which are subsequently passed on to local entities.

In addition to participation in the federal program, the board is also responsible for the control of encroachments on completed projects or in the area of

an adopted plan; for the supervision of local maintenance and operation of completed project works; and for the management of acquired property.

In 1971-72 the staff work of acquisition, relocations, operation, maintenance and planning will be done by the Department of Water Resources under contract with the board. This funding situation represents a change from 1969-70 when all implementation funds were appropriated to the Secretary for Resources and subsequently allocated partially to the board and partially to the Department of Water Resources. The budget year funding also differs from 1970-71, when implementation funds were appropriated to the Department of Water Resources.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Policy and Program Administration -----	7.5	7.5	7.5	\$235,000	\$243,616	\$247,000
II. Implementation -----	84.3	63.4	61.1	1,084,379	1,398,583	1,217,000
TOTALS, PROGRAMS -----	91.8	70.9	68.6	\$1,319,379	\$1,642,199	\$1,464,000
Less expenditures reflected in budget for Department of Water Resources -----	-56.8	-63.4	-61.1	-780,289	-1,398,583	-
NET TOTALS, PROGRAM (General Fund) -----	35	7.5	7.5	\$539,090	\$243,616	\$1,464,000
Less expenditures reflected in capital outlay budget -----	-	-	-	-253,665	-	-
NET PROGRAM TOTALS, RECLAMATION BOARD -----				\$285,425	\$243,616	\$1,464,000

HIGHLIGHTS OF PROGRAM

The board's program for 1971-72 is expected to operate at substantially the same workload and output level as in 1970-71. The status of individual projects is described in the Capital Outlay section of this budget.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	35	7.5	7.5	\$418,506	\$122,628	\$123,528
Staff benefits -----	-	-	-	38,562	8,788	11,630
Totals, Personal Services -----	35	7.5	7.5	\$457,068	\$131,416	\$135,158
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$31,076	\$64,300	\$63,942
Travel -----				24,044	10,600	10,600
Facilities expense -----				21,665	13,300	13,300
Contractual services -----				-	23,000	1,240,000
Equipment -----				5,237	1,000	1,000
Totals, Operating Expenses and Equipment -----				\$82,022	\$112,200	\$1,328,842
Totals, Expenditures (General Fund) -----				\$539,090	\$243,616	\$1,464,000
Less expenditures reflected in capital outlay budget -----				-253,665	-	-
NET EXPENDITURES (General Fund) -----				\$285,425	\$243,616	\$1,464,000

APPROPRIATION

Support, Item 211 (General Fund) ----- \$1,464,000

RECLAMATION BOARD—Continued

LINE	REVENUES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2	General Fund -----	\$405,528	\$800,000	\$530,000
3				
4				
5				
6	SUMMARY—CAPITAL OUTLAY	ACTUAL	ESTIMATED	PROPOSED
7		1969-70	1970-71	1971-72
8				

Reclamation Board—Capital Outlay

12	Flood control projects-----	\$881,442	\$115,000	\$1,587,000
13		(1,208,343)	(1,120,000) ¹	

GENERAL ANALYSIS

Capital Outlay funds for the Reclamation Board are utilized for the following flood control project purposes:

- a. The acquisition of lands, easements and rights of way for federal projects;
- b. The accomplishment of relocations required by a federal project;
- c. Where required, the payment of a cash contribu-

tion to construction of a federal project;

d. Land acquisition and construction of necessary modifications to completed project works;

e. Acquisition of hazardous encroachments in those rare cases where the board's police powers are inadequate to force removal.

Details of the proposed amounts for 1971-72 are contained in the budget supplement.

APPROPRIATION

32	Capital Outlay, Item 308 (<i>General Fund</i>) -----	\$1,587,000
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¹ Some Reclamation Board capital outlay funds were expended through the Department of Water Resources in 1969-70 and in 1970-71.

SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

Headquarters Office at San Francisco

GENERAL ANALYSIS

The San Francisco Bay Conservation and Development Commission was created by the Legislature in 1965 to provide a regional approach to the recognized need to protect the public interest in San Francisco Bay; to insure its beneficial use as the most valuable single natural resource of the entire region; and to provide a democratic and politically responsible proc-

ess by which the bay and its shoreline can be analyzed, planned, and regulated as a single unit. The commission became a permanent state agency in 1969 (by amendment to the McAteer-Petris Act of 1965) with added responsibilities and enlarged jurisdiction—to include a narrow shoreline band, salt ponds and diked wetlands.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Bay conservation and development	5.2	10.1	11.1	\$174,931	\$275,730	\$284,000
II. Administration—distributed to other program	4	4	4	(83,081)	(98,730)	(100,000)
TOTALS, PROGRAMS	9.2	14.1	15.1	\$174,931	\$275,730	\$284,000
Reimbursements	—	—	—	-2,026	—	-25,000
NET TOTALS, PROGRAMS (General Fund)	9.2	14.1	15.1	\$172,905	\$275,730	\$259,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Fees for Permit Processing

Chapter 713, Statutes of 1969, provides that the San Francisco Bay Conservation and Development Commission may require a reasonable filing fee and

reimbursement of expenses incurred in processing and investigating permit applications. Reimbursements from such fees in the budget year are anticipated in the amount of \$25,000.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages	9.2	14.1	15.1	\$119,311	\$187,820	\$199,583
Staff benefits	—	—	—	11,569	20,660	21,417
Totals, Personal Services	9.2	14.1	15.1	\$130,880	\$208,480	\$221,000
OPERATING EXPENSES AND EQUIPMENT						
General expense	—	—	—	\$19,337	\$28,750	\$29,000
Travel	—	—	—	4,098	5,000	6,000
Facilities expense	—	—	—	9,029	10,750	10,750
Contractual services	—	—	—	11,489	20,000	15,000
Equipment	—	—	—	98	2,750	2,250
Totals, Operating Expenses and Equipment	—	—	—	\$44,051	\$67,250	\$63,000
Totals, Expenditures	—	—	—	\$174,931	\$275,730	\$284,000
Reimbursements	—	—	—	-2,026	—	-25,000
Net Expenditures (General Fund)	—	—	—	\$172,905	\$275,730	\$259,000

APPROPRIATION

Support, Item 212 (General Fund)						\$259,000
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DEPARTMENT OF WATER RESOURCES

Headquarters Office at Sacramento

GENERAL ANALYSIS

The economic stability and growth of California and the health, welfare and convenience of its people require water supplies of ample quantity and suitable quality, water-related recreational opportunities and enhancement of fish and wildlife, prevention of damage from floods and dam failures, and, to the extent feasible, hydroelectric power development. A major goal of the Department of Water Resources is to ensure that these requirements of the public are fulfilled.

The department provides leadership and guidance to achieve the timely and economic development of the state's water resources, in a manner consistent with public concern for the environment. This is accomplished through encouragement, assistance and coordination of the planning, design and construction of works, or implementation of alternative measures, by federal, state, and local agencies. The department is also responsible for construction and operation of the

State Water Project as part of the State Water Resources Development System. State financial assistance for local water-related projects is provided as a means of encouraging implementation of local projects for qualified local agencies.

The health, safety and welfare of the people of California and the protection of their property require the control of floods and the prevention of dam and reservoir failures. The department meets these public needs through programs involving flood control and dam safety activities.

The application of expertise available among personnel of the department is required to meet special public needs within areas of responsibility of the department, the Legislature, other state agencies, federal and local entities. In this area the department provides assistance or services through the specialized technical and professional talents of departmental personnel.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Conservation, Development and Use of State Water Resources				\$297,170,552	\$329,496,119	\$267,499,551
A. Continuing Formulation of California Water Plan				6,837,044	6,934,933	6,413,460
B. Implementation of the State Water Resources Development System				290,333,508	322,561,186	261,086,091
II. Public Safety and Prevention of Damage				\$10,444,156	\$10,356,037	\$10,386,700
A. Flood Control				9,047,123	9,035,125	9,149,000
B. Supervision of Safety of Dams				1,300,882	1,320,912	1,237,700
C. Beach Erosion Control				96,151	-	-
III. Services and Capital Improvements				\$1,263,793	\$1,098,502	\$852,000
A. Services to Other Agencies				1,011,741	1,018,502	852,000
B. State Building Program				135,420	80,000	-
C. Special Programs				116,632	-	-
IV. Technical Services and General Management				\$1,155,700	\$1,384,541	\$1,136,961
A. Technical Services				1,014,891	1,306,964	1,136,961
B. General Management				140,809	77,577	-
TOTALS, PROGRAMS	4,102.4	3,728.8	2,925.9	\$310,034,201	\$342,335,199	\$279,875,212
Reimbursements:						
Federal				-326,957	-306,824	-274,000
Other				-3,586,750	-2,649,618	-4,835,002
NET TOTALS, PROGRAMS				\$306,120,494	\$339,378,757	\$274,766,210
General Fund				17,559,688	17,578,273	14,104,000
Support				11,957,291	12,291,875	10,104,000
Local assistance				4,262,374	4,086,398	4,000,000
Capital outlay				1,340,023	1,200,000	-
California Water Fund				1,337,429	-	-
California Water Resources Development Bond Fund				133,860,136	269,901,247	177,428,569
Central Valley Project Construction Fund				153,363,241	51,899,237	83,233,641

HIGHLIGHTS OF PROGRAM

Continuing Formulation of the California Water Plan

Water development is both a necessity and a catalyst for further economic growth of California. The population of the state is expected to grow from approximately 20 million persons today to about 29 million in 1990. By the year 2020, which is the current long-range planning target for the department and the Federal Water Resources Council, the total is expected

to be about 45 million persons. Accompanying this population growth will be a general expansion of all segments of the economy: agriculture, industry, services and others. The department's planning activities are directed toward the meeting of the water needs accompanying this growth and will be done in a timely and economic manner with proper concern for the environment.

DEPARTMENT OF WATER RESOURCES—Continued

HIGHLIGHTS OF PROGRAM—Continued

During 1971-72 more emphasis will be given to obtaining physical and economic information on alternative sources of water supply, with added emphasis on desalination, waste water reclamation, and weather modification. Also, the department will begin studying, in cooperation with other agencies, the possible uses of geothermal resources, as an additional source of both water and power.

During 1971-72, the department will give added emphasis to water quality and the environmental aspects of water resources in both the data evaluation and planning activities. Data activities will emphasize the biological aspects of water quality rather than the mineral aspects as in the past. The intensity and scope of water quality investigation will be increased in order to provide more assistance to the State and Regional Water Resources Control Boards, and to develop a broader base for planning investigations of the department. Added emphasis will also be placed on new areas of investigations, such as environmental impact analysis and the character and use of rivers.

The results of all the planning and investigation activities will be incorporated in the coordinated statewide plan. Every activity will be reviewed to determine if environmental and ecological considerations have been reasonably and adequately considered. Major emphasis will be placed on responding to, and anticipating where possible, potential impacts on the environment by water development projects as proposed by all levels of government.

Implementation of the State Water Resources Development System

Continued attention will be given to water problems of the Delta, including those associated with the Peripheral Canal and other features of the State Water Project. The department will also continue to investigate potential development alternatives in the Eel River area for future State Water Project facilities.

In the construction of the initial facilities of the State Water Project for water deliveries from Castaic and Perris Reservoirs, 97 percent of the facilities will be completed by July 1972. The A. D. Edmonston Pumping Plant will become operational and will push the first project water across the Tehachapi Mountains into southern California. This pumping plant is unprecedented in terms of the combination of the high lift of 1,940 feet and the large pumping capacity of 1,800,000 gallons per minute.

Water deliveries from Castaic Lake, the terminus of the west branch of the California Aqueduct, are scheduled to start during 1971-72. The east branch of the California Aqueduct will become operational and

capable of conveying project water to a point east of the City of Riverside just 10 miles from its terminus at Lake Perris.

By the end of 1971-72, with most of the project facilities operational, the operation and maintenance work force necessary for operating and maintaining these facilities will be approaching its projected full strength. Scheduled water deliveries for 1971-72 will total approximately 713,000 acre-feet. This will be a 43 percent increase over the deliveries of the preceding year.

Flood Control

The department, through cooperative sponsorship of projects constructed by the federal government, will afford the people of the State of California in the order of \$20 million in flood control benefits during fiscal year 1971-72. This is an approximation of the proportionate amount of total expected annual benefits from projects already built or to be built during this year that can be ascribed to the state's investments. It is also estimated that nearly \$1 million in damage is prevented annually as a result of flood forecast and advance warnings disseminated to the public and private sectors of the state under this program in cooperation with others. Flood control benefits averaging \$15 million per year are realized as a result of the Sacramento River Flood Control Project. Approximately 20 percent of these benefits can be attributed to the contributions made by the department through its operation and maintenance of this project.

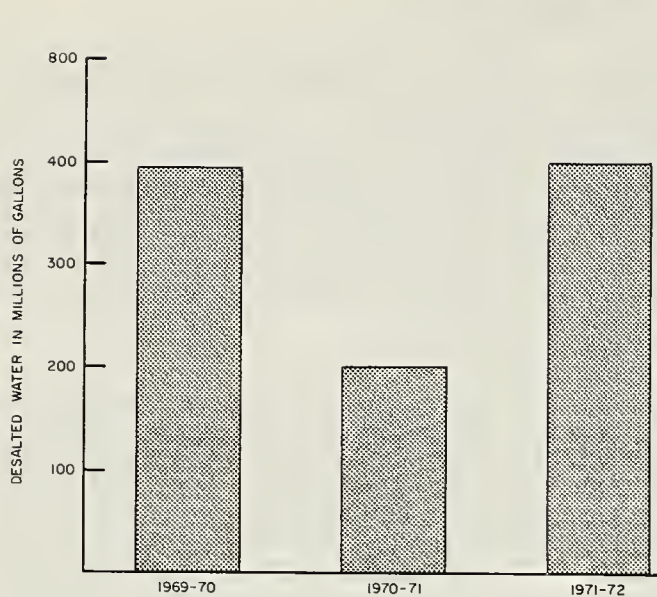
Supervision of Safety of Dams

The department will continue to meet its statutory responsibilities for the safety of dams within the state. It will do this by (1) evaluating the designs, plans and specifications proposed for construction, enlargement, alteration, repair and removal of dams; (2) supervising the construction resulting from these proposals; (3) making 1,400 examinations and appraisals of over 1,150 existing jurisdictional dams; (4) re-evaluate older dams for structural and spillway adequacy; and (5) investigate and cause to be terminated violations of the Water Code.

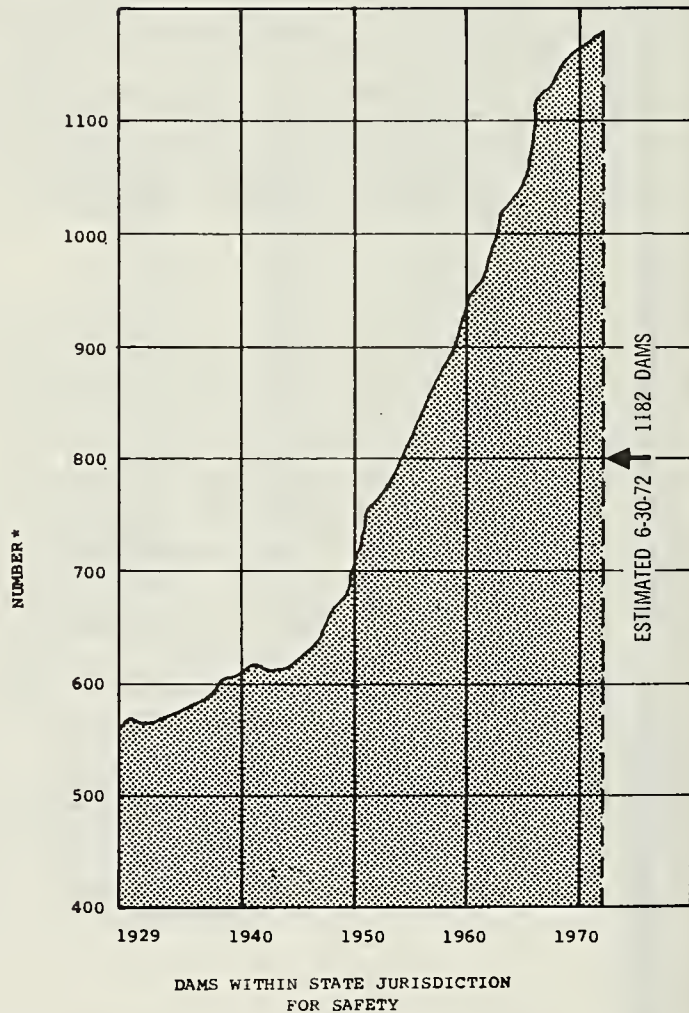
Services to Other Agencies

The department will provide watermaster service to 1,049 water users on 50 surface streams in northern California and to a total of 800 parties with decreed annual ground water pumping rights in southern California. This includes the accounting and billing required to collect the portion of the cost which is borne by the beneficiaries of these services.

DEPARTMENT OF WATER RESOURCES—Continued

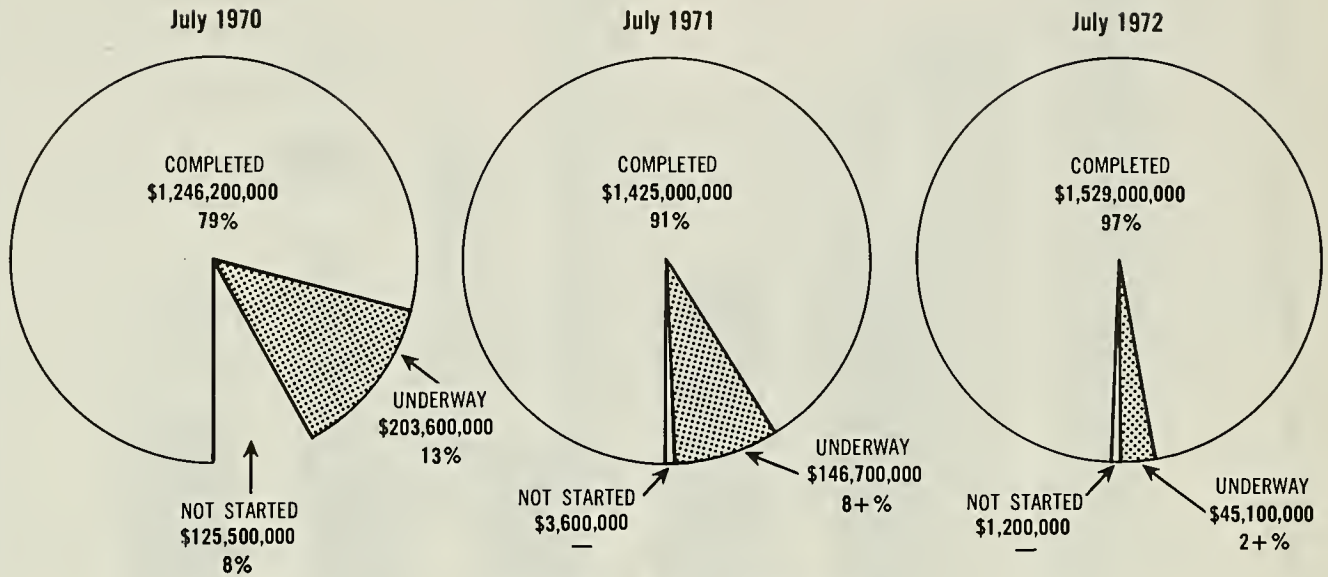


DELIVERY OF DESALTED WATER
By The
DEPARTMENT OF WATER RESOURCES
SAN DIEGO SALINE TEST FACILITY
CHULA VISTA, CALIFORNIA



*Number of dams in operation or under application for construction

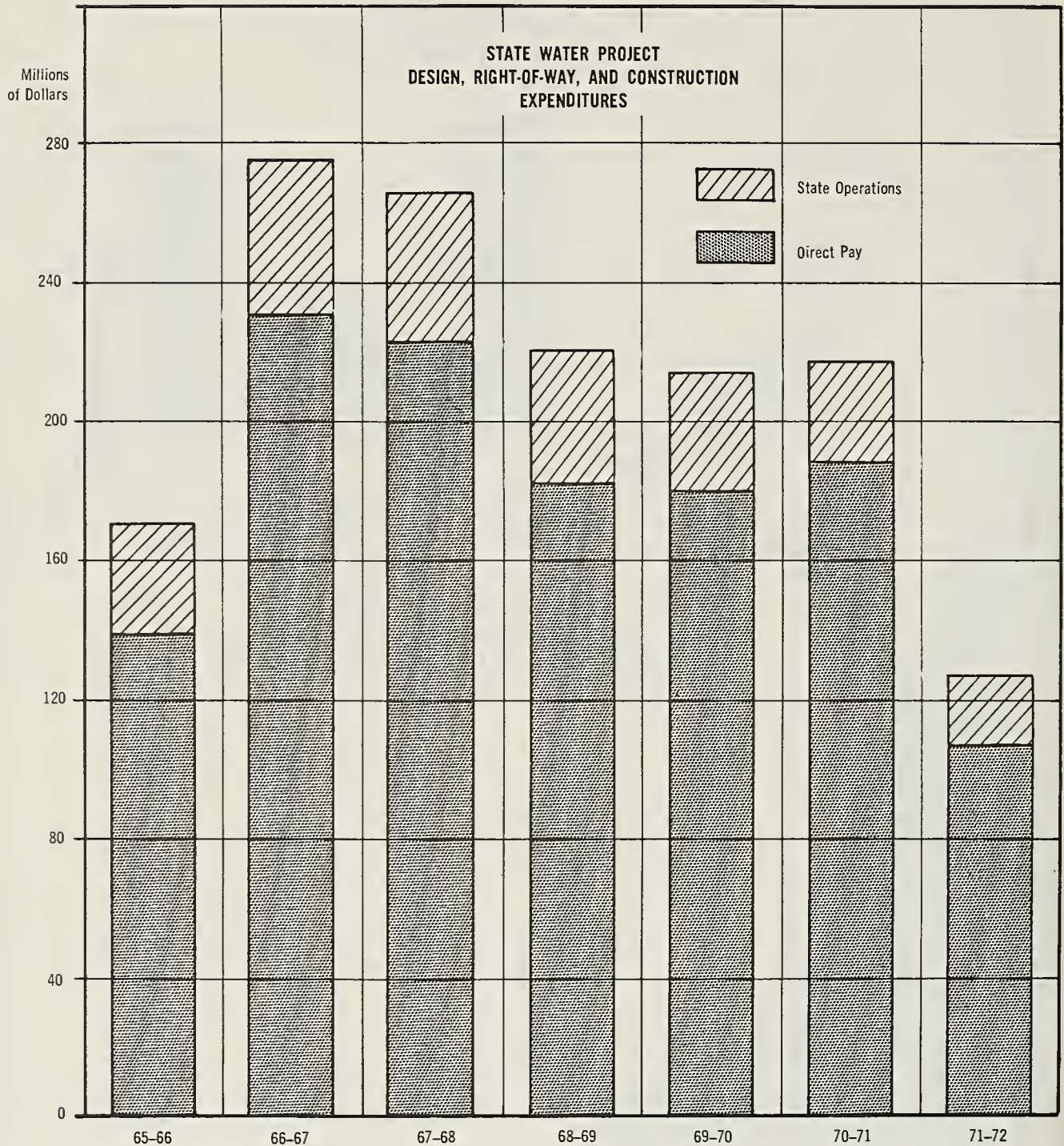
DEPARTMENT OF WATER RESOURCES—Continued

STATE WATER PROJECT
TOTAL COST OF CONSTRUCTION CONTRACTS
FOR THE 1973 PROJECT FACILITIES

TOTAL CONTRACT COST = \$1,575,300,000

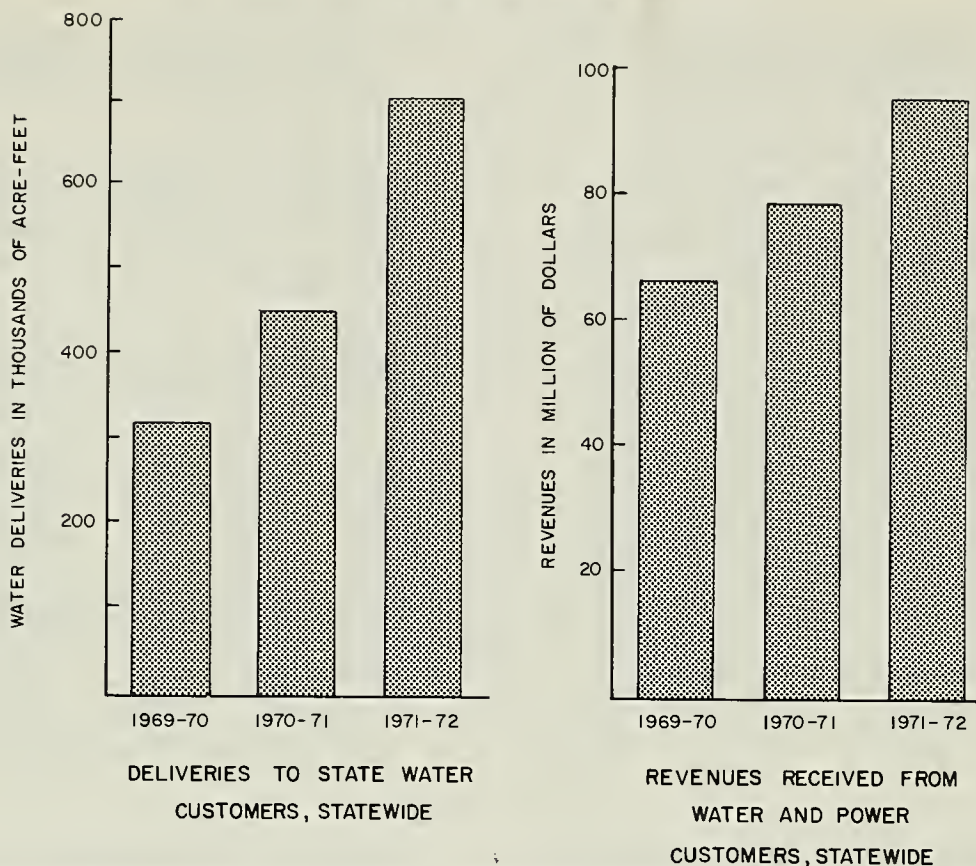
These figures represent only direct payment on contracts needed for the 1973 facilities, which are those required for the initial water deliveries from Castaic and Perris Reservoirs.

DEPARTMENT OF WATER RESOURCES—Continued



Expenditures in the above chart do not include bond interest expense.

DEPARTMENT OF WATER RESOURCES—Continued



RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	4,102.4	3,728.8	2,925.9	\$45,419,941	\$44,082,805	\$37,465,378
Staff benefits -----	-	-	-	4,529,371	4,706,150	4,121,192
Totals, Personal Services -----	4,102.4	3,728.8	2,925.9	\$49,949,312	\$48,788,955	\$41,586,570
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$2,630,264	\$2,511,719	\$2,603,067
Travel -----				1,894,158	3,481,143	2,842,016
Facilities expense -----				4,523,296	4,808,333	4,599,932
Contractual services -----				6,201,169	6,734,957	6,142,401
Equipment -----				1,215,205	2,571,059	2,452,799
Totals, Operating Expenses and Equipment -----				\$16,464,092	\$20,107,211	\$18,640,215
MINOR CAPITAL OUTLAY -----						
				-	-	\$18,700
Totals, Expenditures -----				\$66,413,404	\$68,896,166	\$60,245,485
Less reserve charge -----				-374,844	-971,900	-1,000,475
Net Expenditures -----				\$66,038,560	\$67,924,266	\$59,245,010
Reimbursements -----				-2,573,213	-2,402,442	-3,165,002
Totals, Expenditures, State Operations -----				\$63,465,347	\$65,521,824	\$56,080,008
General Fund -----				12,220,469	12,604,273	10,430,700
California Water Resources Development Bond Fund -----				26,724,992	51,103,551	45,324,308
Central Valley Water Projects Construction Fund -----				24,519,886	1,814,000	325,000

DEPARTMENT OF WATER RESOURCES—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	LOCAL ASSISTANCE			
2				
3				
4	Subventions to local agencies for flood control -----	\$4,239,602	\$4,086,398	\$4,000,000
5	Less administration included in state operations -----	-232,710	-312,398	-326,700
6				
7	Totals, Flood Control Subventions (<i>General Fund</i>) -----	\$4,006,892	\$3,774,000	\$3,673,300
8				
9	Subventions to local agencies for beach erosion -----	10,000	-	-
10	Plus administration included in state operations -----	12,772	-	-
11				
12	Totals, Beach Erosion Subventions (<i>General Fund</i>) -----	\$22,772	-	-
13				
14	Totals, Expenditures, Local Assistance -----	\$4,029,664	\$3,774,000	\$3,673,300
15				
16	APPROPRIATIONS			
17				
18	State Operations, Item 213 (<i>General Fund</i>) -----			\$10,104,000
19	Local Assistance, Item 214 (<i>General Fund</i>) -----			4,000,000
20	Other:			
21	State Operations, Chapter 1762, Statutes of 1959:			
22	California Water Resources Development Bond Fund -----			45,324,308
23	Central Valley Water Projects Construction Fund -----			325,000
24				
25				
26				
27	REVENUES			
28				
29				
30				
31	General Fund -----	\$207,833	\$418,000	\$310,000
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DEPARTMENT OF WATER RESOURCES—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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Department of Water Resources—Capital Outlay

STATE BUILDING PROGRAM

Major projects -----	-	\$80,000	-
Minor projects -----	\$130,113	-	- ¹
Totals, Expenditures (General Fund) -----	\$130,113	\$80,000	-

GENERAL ANALYSIS

Major or minor general construction is required from time to time to support the department's general activities. Projects are formulated to serve several of the department's programs and may consist of new construction or substantial alterations, procurement of equipment and acquisition of land related to those projects. Not included are features of

the State Water Resources Development System and works associated with specific programs.

Major capital outlay for 1970-71 consisted of the Cherokee Canal Sediment Clearance Project. The project is designed to increase carrying capacity of the canal. This canal is a part of the Sacramento River Flood Control Project.

CALIFORNIA WATER FACILITIES PROGRAM EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
MAJOR PROJECTS -----	\$288,562,373	\$321,800,484	\$260,662,210
General Fund -----	1,567	-	-
California Water Fund -----	1,337,429	-	-
California Water Resources Development Bond Fund -----	133,860,136	243,738,989	260,277,210
Central Valley Water Project Construction Fund -----	153,363,241	78,061,495	385,000

GENERAL ANALYSIS

CALIFORNIA WATER DEVELOPMENT PROGRAM

The Capital Outlay Budget presents a summary of expenditures for the California Water Development Program and special projects. A general explanation of the state projects under the California Water Development Program is presented in the support budget with a description of the significant units of each project as well as detailed expenditure information.

CALIFORNIA WATER FACILITIES AND
SPECIAL PROJECTS

The major portion of the California Water Development Program involves design, right-of-way acquisition, construction, and operations and maintenance for the following features of the State Water Project:

1. Upper Feather River Basin reservoirs.
2. Oroville Dam and related facilities.
3. Delta Water Facilities, which will provide for transporting water around the Delta to the state and federal pumping plants in the southern Delta.
4. North Bay Aqueduct, which will serve Napa and Sonoma Counties.

5. South Bay Aqueduct, which will serve Alameda and Santa Clara Counties.

6. California Aqueduct, which serves the areas from the Sacramento-San Joaquin Delta to southern California. Near the midpoint between the Delta and the Tehachapi Pumping Plant is the joint federal-state San Luis Dam and Reservoir.

The Tehachapi-West Branch Crossing will convey water from the valley floor to the southside of the Tehachapi Mountains through the Tehachapi Afterbay to Castaic Reservoir, near the Town of Castaic.

The Mojave and Santa Ana Divisions will transport water from the Tehachapi Afterbay through the Antelope Valley to Silverwood Lake in San Bernardino County. From Silverwood Lake, the water will be transported through the San Bernardino Tunnel and Santa Ana Valley Pipeline to the terminus at Perris Reservoir in Riverside County.

The Coastal Branch will convey water from a point near Avenal in Kern County to a terminus near the town of Santa Maria in Santa Barbara County.

Other expenditures under the California Water Development Program relate to advanced planning for authorized projects, including operation studies, and the loan and grant program under the Davis-Grunsky Act.

¹ Minor capital outlay is reflected in the state operations budget beginning in 1971-72.

STATE WATER RESOURCES CONTROL BOARD

Headquarters Office at Sacramento

GENERAL ANALYSIS

The State Water Resources Control Board, created by the Legislature in 1967, is concerned with water rights (licensing the appropriation of water), water quality (controlling and preventing water pollution) and planning and research. In addition, the state board guides the nine California regional water quality control boards so that state policy for water

quality control can be administered regionally, yet within a framework of statewide coordination and policy. The regional boards formulate water quality control plans for state board approval, establish and enforce waste discharge requirements and implement policies.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Water quality control -----	91	125	153	\$2,317,007	\$2,825,750	\$3,543,350
II. Planning and research -----	22	46	50	840,000	1,776,250	2,017,250
III. Water rights -----	41	42	42	836,241	974,000	1,007,400
IV. Administration—distributed to other programs -----	47.4	48.5	52	(789,000)	(845,000)	(897,000)
TOTALS, PROGRAMS -----	201.4	261.5	297	\$3,993,248	\$5,576,000	\$6,568,000
Reimbursements -----				-89,692	-95,000	-195,000
NET TOTALS, PROGRAM -----				\$3,903,556	\$5,481,000	\$6,373,000
General Fund -----				3,161,921	3,965,000	4,180,000
State Clean Water Bond Fund -----				-	708,000	1,540,000
Federal funds -----				741,635	808,000	653,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The passage of the Porter-Cologne Water Quality Control Act and the Clean Water Bond Law of 1970 have greatly expanded the tasks and workload of the board, which will increase overall operating costs by about one million dollars.

The authority of the state and regional boards was substantially increased by the Porter-Cologne Water Quality Control Act, which became operative on January 1, 1970. The Porter-Cologne Act is the first major overhaul of the state's water quality control law in 20 years and it is regarded as the toughest water quality control act in the nation.

In the November 1970 general election, over 75 percent of the voters approved the Clean Water Bond Law of 1970. This \$250 million bond issue is part of a federal-state-local program to invest one billion dollars in construction of new or improved wastewater treatment and disposal facilities in California in the next five years.

The following specific activities must be inaugurated or expanded:

1. Accelerate research to insure the effective acquisition, flow and use of information on pollution and all other factors affecting the quality of waters.

Additional Cost ----- \$155,000

2. Establish the organization, staff and procedures to effectively manage the construction grant program. Besides the \$250 million of state money, this program will be administering \$550 million of federal grants.

Additional Cost ----- \$280,000

3. The state's activities in water quality control must be guided by policies that are based on a comprehensive planning effort. This planning effort must be coordinated and must go beyond that which has

previously been undertaken by individual state agencies. The water quality efforts of all state, federal and local agencies should be objectively coordinated to be effective and to avoid duplication.

Additional Cost ----- \$80,000

4. Develop a system whereby the mountain of information and data gathered from research and monitoring activities can be utilized more effectively. This would be an electronic data system utilizing data collected at the federal, state and local levels.

Additional Cost ----- \$250,000

5. There is a need to upgrade the technical level of the waste treatment plant operators. The effectiveness of plants will be only as good as the competency of the personnel operating them.

Additional Cost ----- \$20,000

6. There are a number of specific water quality problems that must be resolved, such as pollution problems in the San Francisco Bay, the Delta, the Los Angeles Harbor and the Salton Sea.

Additional Cost ----- \$150,000

7. Increase monitoring, surveillance and enforcement programs to handle the increased number of dischargers and obtain greater compliance to abatement goals.

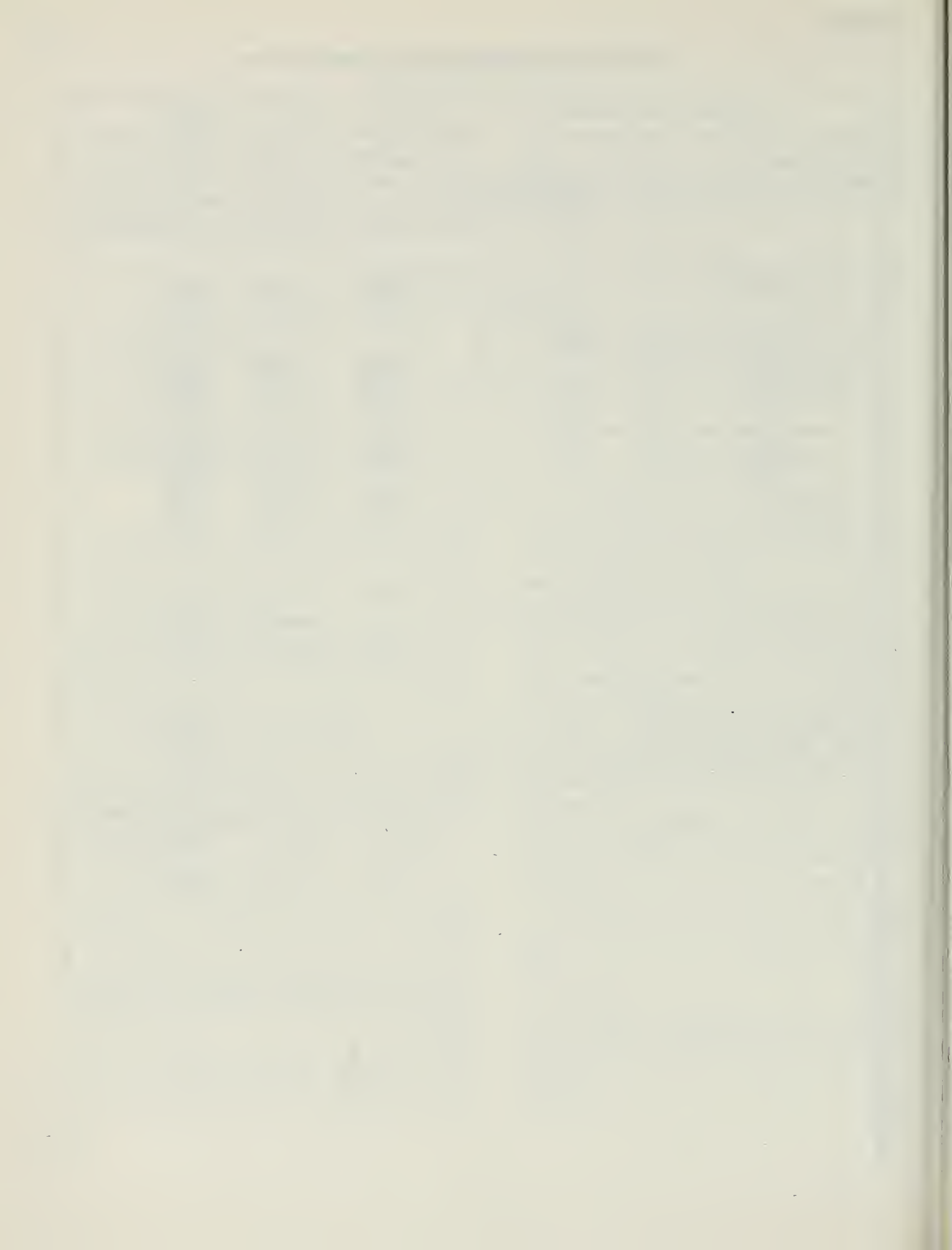
Additional Cost ----- \$60,000

8. Additional administrative services, such as greater executive and legal guidance and control, and more emphasis on public education, necessitated by increased personnel and increasing complexities of problems.

Additional Cost ----- \$52,000

STATE WATER RESOURCES CONTROL BOARD—Continued

LINE	PROGRAM REQUIREMENTS				ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	Local assistance -----				\$2,233,000	\$7,602,295	\$50,161,000
2							
3							
4							
5							
6	RECAPITULATION BY OBJECT						
7							
8							
9							
10	STATE OPERATIONS						
11	PERSONAL SERVICES						
12	Net salaries and wages -----	201.4	261.5	297	\$2,573,302	\$3,296,003	\$3,954,610
13	Staff benefits -----	-	-	-	241,506	346,497	424,390
14							
15	Totals, Personal Services -----	201.4	261.5	297	\$2,814,808	\$3,642,500	\$4,379,000
16							
17	OPERATING EXPENSES AND EQUIPMENT						
18	General expense -----				\$235,976	\$338,000	\$358,000
19	Travel -----				259,682	332,000	421,000
20	Facilities expense -----				190,743	255,000	292,000
21	Contractual services -----				430,297	943,750	1,021,000
22	Equipment -----				61,742	64,750	97,000
23							
24	Totals, Operating Expenses and Equipment -----				\$1,178,440	\$1,933,500	\$2,189,000
25							
26	Totals, Expenditures -----				\$3,993,248	\$5,576,000	\$6,568,000
27	Reimbursements -----				-89,692	-95,000	-195,000
28							
29	Totals, Expenditures, State Operations -----				\$3,903,556	\$5,481,000	\$6,373,000
30	General Fund -----				3,161,921	3,965,000	4,180,000
31	Clean Water Bond Fund -----				-	708,000	1,540,000
32	Federal funds -----				741,635	808,000	653,000
33							
34							
35	LOCAL ASSISTANCE						
36							
37	Assistance for construction of sewerage and storm drainage facilities (State Water Quality Control Fund) -----				\$2,233,000	\$2,602,295	\$161,000
38	Assistance for construction of water quality facilities (Clean Water Bond Fund) -----				-	5,000,000	50,000,000
39							
40	Totals, Local Assistance -----				\$2,233,000	\$7,602,295	\$50,161,000
41							
42							
43							
44							
45	APPROPRIATIONS						
46							
47	Support, Item 215 (General Fund) -----						\$4,180,000
48	Continuing appropriation prescribed by Chapter 508, Statutes of 1970 (Clean Water Bond Fund) -----						1,540,000
49	Support, Item ----- (Federal funds) -----						653,000
50	Local Assistance:						
51	Continuing appropriation prescribed by Chapter 508, Statutes of 1970 (Clean Water Bond Fund) -----						50,000,000
52	Prior year balances available (State Water Quality Control Fund) -----						161,000
53							
54							
55							
56							
57	REVENUES				ACTUAL	ESTIMATED	PROPOSED
58					1969-70	1970-71	1971-72
59							
60	Revenues -----				\$43,297	\$131,000	\$131,000
61							
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HUMAN RELATIONS



THE
LIBRARY

Human Relations Agency

SPECIAL SERVICES

GENERAL ANALYSIS

In addition to the general direction and supervision provided by the agency, four major areas of concern require a working relationship that provides agency staff with more detailed and specific information than would be obtained in the normal agency-department relationship.

Four special services are currently in existence to meet this need:

1. Health Care and Related Services—Standards and Rates Unit;

2. Mental Retardation—Office of Mental Retardation Program Coordination;

3. Public Health—Public Health Program Coordination.

4. Narcotics and Drug Abuse—Office of Narcotics and Drug Abuse Coordination;

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Standards and Rates Unit	8.6	7	4	\$133,001	\$121,630	\$87,362
II. Mental Retardation Program						
Coordination	1.2	3	3	17,267	56,365	67,082
III. Public Health Program						
Coordination	1	1	1	12,244	12,466	13,017
IV. Office of Narcotics and Drug						
Abuse Coordination	0.6	3	3	14,474	63,742	61,343
V. Planning Agency Services	0.3	-	-	10,020	-	-
VI. Public Health Task Force	-	-	-	2,678	-	-
TOTALS, PROGRAMS	11.7	14	11	\$189,684	\$254,203	\$228,804
Reimbursements	-11.7	-14	-11	-189,684	-254,203	-228,804
NET TOTALS, PROGRAMS	-	-	-	-	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The 1971-72 budget provides for activation of the Office of Narcotics and Drug Abuse Coordination by the addition of a coordinator position, and a technical assistant and secretary. Funding of this unit is from the federal government and "in-kind" matching expenditures in the Department of Mental Hygiene.

The Standards and Rates Unit has transferred two positions to the Department of Health Care Services in the current and budget year and will abolish four

positions in the budget year to reflect changing policy with respect to medical fee and ratesetting activities.

One additional professional position has been added in the current year and proposed for continuation in the budget year in the Mental Retardation Coordination Program. The additional position is to aid in implementing the provisions of Chapter 1594, Statutes of 1969, which becomes fully effective July 1, 1971.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	(11.7)	(14)	(11)	\$141,868	\$182,011	\$159,886
Staff benefits -----	-	-	-	15,244	20,039	17,801
Totals, Personal Services -----	(11.7)	(14)	(11)	\$157,112	\$202,050	\$177,687
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$8,677	\$19,927	\$14,877
Travel -----				4,234	10,691	12,489
Facilities expenses -----				4,075	5,339	5,616
Contractual services -----				11,243	13,674	16,809
Equipment -----				4,343	2,522	1,326
Totals, Operating Expenses and Equipment -----				\$32,572	\$52,153	\$51,117
Totals, Expenditures -----				\$189,684	\$254,203	\$228,804
Expenditures Reflected in Other						
Departmental Budgets:						
Department of Health Care Services	(-4.3)	(-3.5)	(-2)	-\$66,500	-\$52,811	-\$43,681
Department of Social Welfare -----	(-4.3)	(-3.5)	(-2)	-66,501	-68,819	-43,681
Department of Public Health -----	(-2.5)	(-2)	(-2)	-42,209	-25,466	-38,973
Department of Mental Hygiene -----	(-)	(-2)	(-2)	-	-43,365	-41,126
California Council on Criminal						
Justice -----	(-0.6)	(-3)	(-3)	-14,474	-63,742	-61,343
Totals, Expenditures Reflected in						
Other Departmental Budgets---	(-11.7)	(-14)	(-11)	-\$189,684	-\$254,203	-\$228,804
Net Expenditures -----	-	-	-	-	-	-

HUMAN RESOURCES DEVELOPMENT ACT

GENERAL ANALYSIS

State government participates in programs to provide job training, development and placement to the unemployed and underprivileged in order to break the cycle of poverty. These programs prepare employable and potentially employable persons to reach and maintain a level of economic self-sufficiency through training and related services, strive to stimulate job opportunities, provide industrial services to employ-

ers, eliminate restrictions to employment and develop and disseminate labor market information.

The programs directed primarily toward persons living in economically disadvantaged areas, are designed to equip the individual to meet the needs of employment, develop job openings, and assist employers in meeting their manpower needs.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Job Training Program -----	2,850.8	3,018.7	2,965	\$106,778,793	\$114,396,980	\$122,777,116
II. Job Development Program -----	409.7	434.6	432.6	7,807,433	9,951,302	9,429,450
III. Job Placement Program -----	1,580.2	1,590.5	1,540.3	22,899,721	24,158,154	24,282,332
TOTALS, PROGRAMS -----	4,840.7	5,043.8	4,937.9	\$137,485,947	\$148,506,436	\$156,488,898
Department of Human Resources Development -----	4,442.4	4,612.4	4,539.6	75,455,090	87,304,646	87,669,759
Department of Social Welfare -----	11.8	15	15	11,789,252	13,310,638	13,515,935
Department of Rehabilitation -----	8.4	8.4	8.4	4,238,033	4,238,033	4,238,033
Department of Industrial Relations -----	153.9	142.6	112.8	2,276,512	2,373,436	1,919,944
Department of Corrections -----	20.1	24.8	24.8	235,037	282,557	289,657
Department of the Youth Authority -----	52.9	67.1	41.4	573,980	628,553	479,763
Department of Education -----	151.2	166.5	188.9	42,918,043	39,644,885	47,788,421
State Personnel Board -----	-	7	7	-	723,688	587,386

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGE

The size and scope of the Job Training, Job Development, and Job Placement Programs are illustrated by the fact that during fiscal year 1971-72 the State of California proposes to spend approximately 5,000 man-years and over \$156 million in this area.

Of this amount, \$14.6 million is proposed to be provided by state funds, \$135.8 million is to be provided by the federal government, and \$6.1 million is to be provided from other sources.

MENTAL RETARDATION PROGRAM

GENERAL ANALYSIS

The Lanterman Mental Retardation Services Act of 1969, requires that a program budget be presented including all expenditures proposed to be made by all state agencies on behalf of the mentally retarded. Five departments of state government provide substantial services to mentally retarded individuals. These departments and their primary function are listed below:

Department of Public Health—Overall case management and purchase of certain specialized services.

Department of Mental Hygiene—Inpatient hospital treatment and care.

Department of Social Welfare—Provision for out-of-home living, and assistance in living in own home.

Department of Rehabilitation—Vocational training consultation and job finding.

Department of Education—Education of retarded individuals.

The mental retardation program is subdivided into seven program elements. These elements and a brief description of each are listed below.

Public Information and Prevention

Public information programs assist in educating the public to the needs of the mentally retarded by informing them about the nature and extent of mental retardation.

Prevention of retardation is brought about through genetic counseling with potential parents, and research to determine the causes of mental retardation and methods of prevention.

Case Identification and Management

Provides early identification and evaluation of the mentally retarded, following which a plan for provision of services is made and initiated.

Basic Living and Care

The majority of mentally retarded persons in the state live in their own homes. However, many of these individuals require assistance in dealing with the wide range of problems they encounter. Assistance is given to protect him against neglect, hazardous living conditions and to reduce the chance of his requiring further institutional care. If conditions are such that the re-

tarded individual cannot be cared for in his own home, a substitute living arrangement in a foster home, or institutionalization is necessary. Such persons require various levels of supervision, care and related services, in addition to caring for his normal needs of food, clothing and shelter.

Specialized Services

In order to overcome functional limitations of the mentally retarded a variety of services of specialized nature must be provided. These services are designed to eliminate or minimize a wide range of handicapping conditions with varying degrees of severity. They range from assistance in learning and communicating to total care in specialized medical settings.

Specialized services are provided to improve the physical, social, intellectual and vocational functions of the individual so that he may develop the highest level of functioning of which he is capable.

Research and Evaluation

Research and evaluation programs are carried out to increase present knowledge of the causes of mental retardation and to generate new techniques to train, educate and habilitate the retarded. Evaluation of present programs provides a comparison between methodologies designed to provide the most economical services for the retarded.

Manpower Development Training and Utilization

Provides for recruitment and training of personnel to provide services to the retarded. In addition, recruitment, training and supervision of community volunteers provide valuable assistance to supplement paid workers and establish and maintain a vital link between retarded persons and the general community.

Administration and Support

Administration and support activities are necessary to assist in planning, direction and evaluation of services for the mentally retarded. Included are such important areas as guardianship and conservatorship for the retarded without relatives, and licensing of homes and institutions to provide acceptable standards for retarded served in such facilities.

MENTAL RETARDATION PROGRAM—Continued

LINE	PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70	70-71	71-72			
1	I. Public Information and						
2	Prevention -----	75.6	81.9	93.8	\$1,063,792	\$1,274,909	\$1,387,745
3	II. Case Identification and Case						
4	Management -----	442.5	492	555.2	5,549,143	6,880,673	7,415,840
5	III. Basic Living and Care -----	5,410.8	6,666.2	6,389.2	125,906,787	148,118,478	169,136,794
6	IV. Specialized Services -----	5,581.4	5,485.6	5,711.9	62,819,373	62,295,869	65,250,654
7	V. Research and Program						
8	Evaluation -----	113.2	119.1	96.3	2,833,964	3,878,830	5,032,501
9	VI. Manpower Development						
10	Training and Utilization -----	458.3	249.6	208	6,090,841	5,032,959	3,523,997
11	VII. Administration and Support -----	340.4	361.3	383.1	6,269,682	10,096,553	10,367,485
12	TOTALS, PROGRAMS -----	12,422.2	13,455.7	13,432.5	\$210,533,582	\$237,578,271	\$262,115,016
13	General Funds -----				165,490,116	182,040,949	195,289,409
14	Federal Funds -----				45,043,466	53,433,450	64,442,694
15	Reimbursements (Federal) -----				-	1,008,872	1,011,351
16	Family Contributions -----				-	1,095,000	1,371,562
17	Reflected in Departmental Budgets -----				-210,533,582	-237,578,271	-262,115,016
18	NET TOTALS, EXPENDITURES -----				-	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Department of Mental Hygiene

The 1971-72 Budget proposes 160 new nursing staffing positions for the mentally retarded in state hospitals. These positions combined with the continuing decline of the mentally retarded inpatient population will enable the department to reach 91 percent of the 1968 Nursing Standard by June 30, 1972.

With the Lanterman Mental Retardation Services Act becoming effective July 1, 1971, the Department will no longer place mentally retarded individuals "on leave" from the hospitals, but will refer them to regional mental retardation centers for placement in the community. These centers will also determine the number of mentally retarded individuals referred to the state hospitals for inpatient services.

Department of Social Welfare

During 1971-72 the department will continue its efforts to move mentally retarded individuals out of the state hospitals into community facilities. The department's goal for 1971-72 is 1,400 such placements. However, effective July 1, 1971, under the provisions of AB 1640 the department will provide its services only as requested by a regional mental retardation center.

Department of Public Health

The 1971-72 Budget proposes an increase in the General Fund support for the regional mental retardation centers of approximately \$2,000,000. This increase is to meet increased workload, price increases, and the full-year cost of previously implemented activities. During 1971-72 the department will fund a minimum of nine regional mental retardation centers.

DEPARTMENT OF CORRECTIONS

Headquarters Office at Sacramento

GENERAL ANALYSIS

The department has the responsibility for secure detention of over 27,000 persons committed to its institutions for felony offenses and narcotic addiction. Various treatment programs of work, education, psychotherapy and counseling, and religion are provided in the 13 major institutions and 26 conservation camps that house these inmates.

Most inmates are released to a condition of parole by independent releasing authorities. These releasees

remain under supervision of the department while completing their sentence in the communities. Approximately 18,000 will be in this status during 1971-72.

It is notable that the institution population has dropped significantly in the past years while parole population has gained. Much of this is attributable to the releasing authorities who recognize the success in programs of improved parole supervision and have modified their policies accordingly.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Precommitment diagnosis	24	23.9	23	\$318,222	\$330,983	\$337,544
II. Initial intake and diagnosis	97.5	97.1	93.4	1,272,675	1,323,932	1,350,543
III. Institutional programming	5,136.1	5,128.8	4,958	96,788,343	101,533,302	104,002,649
IV. Release process	427.8	430.5	418.1	5,940,016	6,210,042	6,370,458
V. Community correctional program	671.5	753.3	785.8	11,150,987	12,967,084	14,604,461
VI. Special items of expense	-	-	-	945,016	885,195	909,705
VII. Administration—distributed to other programs	521.2	518.7	498.7	(8,320,994)	(8,887,141)	(8,966,235)
TOTALS, PROGRAMS	6,878.1	6,952.3	6,777	\$116,415,259	\$123,250,538	\$127,575,360
Reimbursements				-2,434,357	-2,354,948	-3,252,637
NET TOTALS, PROGRAMS				\$113,980,902	\$120,895,590	\$124,322,723
General Fund				98,509,635	103,929,699	106,487,239
Correctional Industries Revolving Fund				11,954,907	13,282,542	14,292,320
Inmate Welfare Fund				3,516,360	3,683,349	3,543,164

INSTITUTION POPULATION TRENDS

Institution	Average daily populations				
	1967-68	1968-69	1969-70	1970-71	1971-72
California Conservation Center	2,221	2,259	2,117	2,203	2,011
Sierra Conservation Center	1,733	1,780	1,724	1,665	1,707
Southern Conservation Center	1,110	1,094	1,076	1,095	1,100
California Correctional Institution	1,024	1,327	1,225	1,205	1,200
Correctional Training Facility	2,916	3,135	2,984	2,585	2,752
Deuel Vocational Institution	1,860	1,871	1,848	1,860	1,850
Folsom State Prison	2,629	2,569	2,374	2,400	2,460
California Institution for Men	1,780	1,769	1,845	1,787	2,256
California Medical Facility	2,009	2,036	2,174	2,015	2,000
California Men's Colony	3,770	3,795	3,731	3,700	2,640
San Quentin State Prison	3,802	3,776	3,579	3,525	3,904
California Institution for Women	803	731	769	820	850
California Rehabilitation Center	2,176	2,343	2,239	2,340	2,535
TOTALS, POPULATION	27,833	28,485	27,685	27,200	27,265

SUMMARY OF COMPARATIVE COSTS AND OVERALL INMATE-EMPLOYEE RATIOS

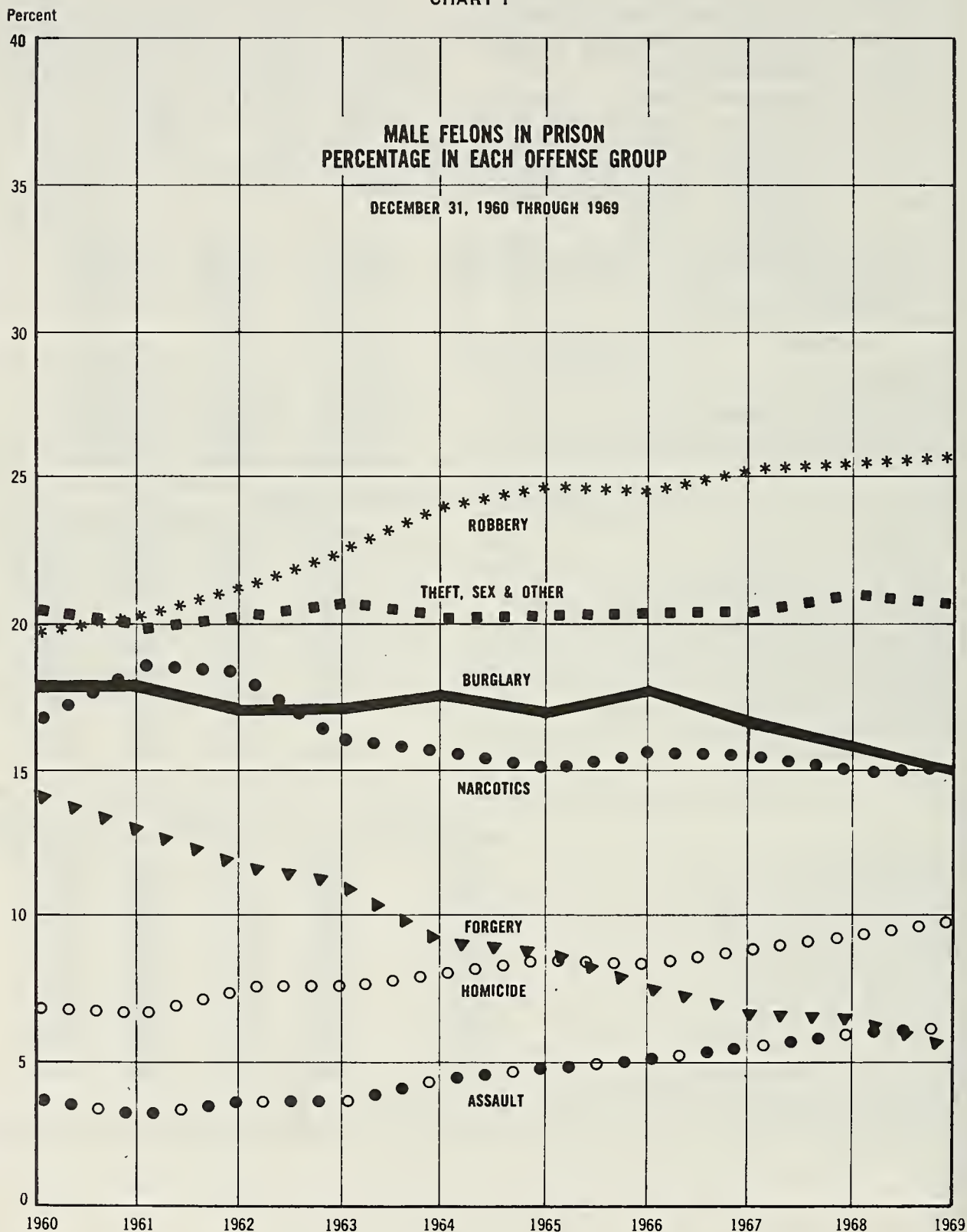
Facilities	1969-70		1970-71		1971-72	
	Inmate-employee ratio	Per capita costs	Inmate-employee ratio	Per capita costs	Inmate-employee ratio	Per capita costs
California Conservation Center ^b	4.1 to 1	\$3,564	4.2 to 1	\$3,616	3.3 to 1	\$3,262
Sierra Conservation Center ^b	4.6 to 1	3,285	4.2 to 1	3,563	3.9 to 1	3,362
Southern Conservation Center ^b	4.2 to 1	3,859	4.3 to 1	3,785	3.3 to 1	3,997
California Correctional Institution	4.0 to 1	3,599	3.6 to 1	3,911	3.6 to 1	4,205
Correctional Training Facility	4.9 to 1	3,037	4.7 to 1	2,359	5.0 to 1	3,103
Deuel Vocational Institution ^c	3.8 to 1	3,914	3.9 to 1	4,326	4.4 to 1	3,634
Folsom State Prison	6.1 to 1	2,391	6.0 to 1	2,502	6.1 to 1	2,547
California Institution for Men ^c	4.5 to 1	3,101	4.1 to 1	3,871	4.2 to 1	2,728
California Medical Facility ^c	3.9 to 1	3,302	3.4 to 1	4,042	3.7 to 1	4,002
California Men's Colony ^b	5.7 to 1	2,626	5.4 to 1	2,838	4.9 to 1	3,345
San Quentin State Prison	5.9 to 1	2,618	5.4 to 1	2,785	4.4 to 1	2,634
California Institution for Women ^c	3.1 to 1	4,421	3.1 to 1	4,415	2.9 to 1	5,388
California Rehabilitation Center	4.0 to 1	3,600	3.8 to 1	4,044	4.1 to 1	3,633
Average Per Capita Costs ^{a, b, c}	4.5 to 1	3,332	4.3 to 1	3,504	4.4 to 1	3,012

^a Excludes employees of Correctional Industries Revolving Fund and Inmate Welfare Fund.
^b Excludes camp operations.
^c Excludes cost of operating reception-guidance center, but includes cost of feeding, housing, and other expenses of inmate being processed therein.

DEPARTMENT OF CORRECTIONS—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

CHART I



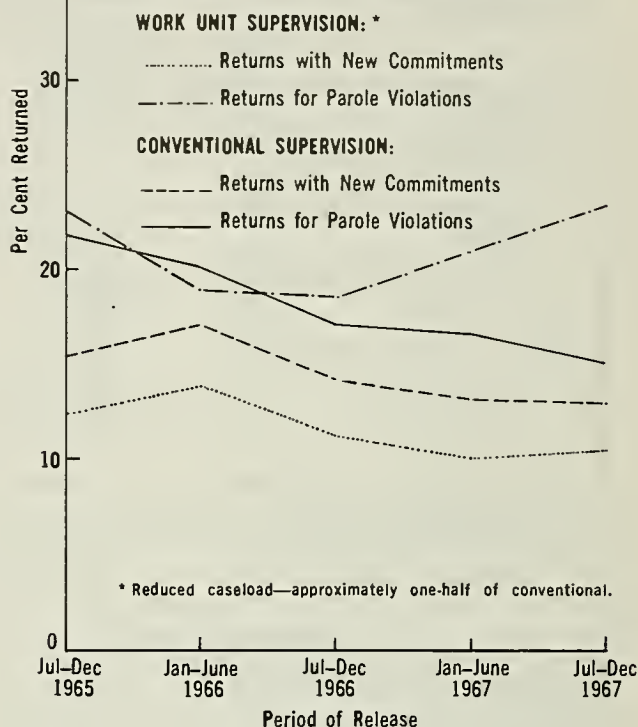
DEPARTMENT OF CORRECTIONS—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

CHART II

FELON PAROLEES REINCARCERATED WITHIN TWO YEARS AFTER RELEASE

WORK UNIT VERSUS CONVENTIONAL SUPERVISION



Because of the reduction in institution populations, the department is closing the California Men's Colony-West facility at San Luis Obispo in the 1970-71 fiscal year resulting in a projected savings of \$3,148,079 during 1971-72. The closure was effected by transferring the inmates of this institution to others in the system with vacant bed space. Employees of the facility are being absorbed in vacancies at other locations resulting in minimal layoffs.

The more violent acting out individual who requires higher security is increasing while the more tractable conforming inmate is decreasing. Thus, there is less of a pool of acceptable inmates to draw upon for operating the minimum security conservation camps. Some camps have not been filled to their quotas for some period of time. It is because of these factors that the department is closing five conservation camps in 1971-72. These five are Vallecito, Alder Creek, Parlin Fork, Eel River, and Plum Creek, which are generally located in the northern part of the state. The inmates in these camps will be moved to available bedspace in other conservation camps and institutions.

As the absolute number in the institutions was changing, so was the makeup of those remaining. Chart I shows the changes in percentage distribution of selected offense groups in the male felon population for the past decade. The reduction in those convicted of the less violent, property-type crimes, leaves a larger number of the more volatile, less tractable inmate in the institutions. This has meant both a necessary increase in security staff to control this group and a larger effort in psychotherapy and counseling to effect more permanent positive changes in the individuals' behavior.

Effecting behavioral changes while an individual is institutionalized does not always assure continued success when the person is returned to the community on a parole status, however. Recognizing this, the department has strengthened its parole supervision by reducing individual parole agents' caseloads from approximately 70 each to 35 each for 5,300 cases of the total parole population. These cases are referred to as work unit supervision. The effect of this is to give these agents more time to devote to each case with two results. For those parolees who can be helped by this additional supervision, it means fewer returns to prison on new felony convictions. For those whose be-

havior is obviously not improving, it means a faster return to prison on the original charge but before becoming involved in new crimes. Chart II shows these changes as they relate to the balance of parolees under conventional supervision during the same time periods.

Chapter 1600, Statutes of 1970, effective July 1, 1971, raises the state's contribution to the Public Employees' Retirement System from 7.25 percent to 20.6 percent on salaries of institutional security staff and parole agents. This mandatory cost, which increases retirement benefits to these employees, results in a net increase of \$3,433,000 in 1971-72.

DEPARTMENT OF CORRECTIONS—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2	PERSONAL SERVICES						
3	Net totals, salaries and wages-----	6,878.1	6,952.3	6,777	\$69,560,105	\$73,804,386	\$72,110,521
4	Staff benefits -----	-	-	-	7,829,189	8,524,164	13,705,886
5	Totals, Personal Services-----	6,878.1	6,952.3	6,777	\$77,389,294	\$82,328,550	\$85,816,407
6	OPERATING EXPENSES AND EQUIPMENT						
7	General expense -----				\$1,703,052	\$1,904,651	\$1,958,986
8	Travel -----				1,591,596	1,718,252	1,833,882
9	Facilities expense -----				5,211,981	5,187,776	5,295,908
10	Subsistence and personal care-----				15,771,936	16,176,712	16,408,219
11	Contractual services -----				257,749	269,464	297,583
12	Correctional Industries operations -----				8,263,341	9,205,126	10,054,796
13	Inmate Welfare Fund operations-----				2,883,802	3,008,528	2,860,559
14	Equipment -----				895,993	952,716	533,788
15	Totals, Operating Expenses and Equipment-----				\$36,579,450	\$38,423,225	\$39,243,721
16	INMATE PAY -----				\$1,501,499	\$1,613,568	\$1,591,335
17	MINOR CAPITAL OUTLAY -----				-	-	\$14,192
18	Totals, Expenditures -----				\$115,470,243	\$122,365,343	\$126,665,655
19	Reimbursements -----	(-37)	(-32.8)	(-32.8)	-2,434,357	-2,354,948	-3,252,637
20	Net Expenditures -----				\$113,035,886	\$120,010,395	\$123,413,018
21	SPECIAL ITEMS OF EXPENSE						
22	Transportation of prisoners -----				\$112,936	\$117,453	\$120,842
23	Returning fugitives -----				335,487	350,202	359,275
24	Court costs and county charges-----				496,593	417,540	429,588
25	Totals, Expenditures -----				\$113,980,902	\$120,895,590	\$124,322,723
26	APPROPRIATIONS						
27	Support, Item 216 (General Fund) -----						\$105,577,534
28	Special Item 217 (General Fund) -----						120,842
29	Special Item 218 (General Fund) -----						359,275
30	Special Item 219 (General Fund) -----						429,588
31	State Operations, Sections 2714 and 5006 of the Penal Code:						
32	(Correctional Industries Revolving Fund) -----						14,292,320
33	(Inmate Welfare Fund) -----						3,543,164
34	REVENUES						
35	General Fund -----				\$333,048	\$334,185	\$334,185
36	SUMMARY—CAPITAL OUTLAY						
37	Major Projects -----				\$240,761	\$251,779	-
38	Minor Projects -----				254,864	51,871	*
39	Totals, Expenditures -----				\$495,625	\$303,650	-
40	General Fund -----				495,625	53,250	-
41	State Construction Program Fund -----				-	250,400	-
42	* Minor capital outlay is reflected in the state operations budget beginning in 1971-72.						

DEPARTMENT OF CORRECTIONS—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	Department of Corrections—Capital Outlay—Continued			
2	SUMMARY BY INSTITUTION			
3				
4				
5				
6	MAJOR PROJECTS			
7	California Men's Colony ^a	-\$3,167	\$1,379	-
8	State Prison at San Quentin	243,928	250,400	-
9				
10	Totals	\$240,761	\$251,779	-
11	General Fund	240,761	1,379	-
12	State Construction Program Fund	-	250,400	-
13				
14	MINOR PROJECTS			
15	California Conservation Center	\$51,122	\$7,409	-
16	California Correctional Institution	41,928	-	-
17	Correctional Training Facility	8,593	-	-
18	Deuel Vocational Institution	32,262	2,000	-
19	State Prison at Folsom	46,206	-	-
20	Institution for Men	23,669	18,000	-
21	California Medical Facility	17,011	2,380	-
22	California Men's Colony	3,195	2,570	-
23	State Prison at San Quentin	11,958	1,500	-
24	California Institution for Women	18,920	-	-
25	California Rehabilitation Center	-	18,012	-
26				
27	Totals (General Fund)	\$254,864	\$51,871	- *

GENERAL ANALYSIS

The Department of Corrections is responsible for the administration of the state's correctional system for adults convicted of felonies and the nonfelon narcotic addict program. It also houses and treats Youth Authority wards who have been determined by the Youth Authority as being best treated in an adult institution.

As a part of the correctional program, the department operates 13 institutions and 26 camps which are distributed throughout the state. These institutions and camps comprise a diversified correctional system, with facilities to provide varying degrees of custodial control and provisions for emphasis on special or general treatment programs. The heterogeneity of those committed to the department makes it necessary to provide for widely diversified programs.

Custodial requirements range from maximum-close to minimum-security facilities. Programs include academic and vocational education, group therapy, group counseling, medical and psychiatric treatment, religious and recreational activities. Constructive work programs are provided by factories, maintenance and culinary sections, farms, and forestry and road camps. A rapidly expanding work furlough program is providing training and work with little or no cost to the state. A program for the rehabilitation and control of nonfelon narcotic addicts is provided at the California Rehabilitation Center.

The type of prisoner committed to the department governs the type of major construction project to

provide institutional capacities. Maximum-close-security prisons are walled institutions where the majority of prisoners are housed in cells and employed within the walls, and are so guarded and restricted as to minimize the danger of escape. Medium-security prisons are not walled—a wire chain-link fence suffices for boundary restrictions. Most prisoners are housed in outside cells, in cell buildings or dormitories and employment may be inside or outside the enclosure. Personal supervision is emphasized for prevention of escapes. Minimum security prisoners are not under lock. They feature work outdoors or elsewhere under supervision of correctional officers and foremen.

When the Department of Corrections was created in 1944, there were three prisons for adult males and one for adult females. Prison population totaled 6,000 inmates. The tremendous increase in California population during the succeeding years has resulted in a corresponding increase in the prison population.

The estimated population increase for this department for the period 1971-76 is 2,545, an average increase of 509 inmates per year. A program developed jointly by the department and the Adult Authority is currently modifying the projected increase in population by reducing the average length of stay in institutions before release to parole.

The program contemplates the housing of inmates in accordance with the standards of one bed and one inmate in each cell or room and one bed and one inmate per 70 square feet in dormitories.

^a Unexpended balance reported as expended in prior year.

* Minor Capital Outlay is reflected in State Operations Budget beginning in 1971-72.

DEPARTMENT OF THE YOUTH AUTHORITY

Headquarters at Sacramento

GENERAL ANALYSIS

The Department of the Youth Authority provides residential and parole rehabilitation programs to prepare persons committed by the courts to return to the community as constructive members of society. Within these rehabilitation programs, the department operates three diagnostic clinics, eight schools for boys and girls, four youth conservation camps, and 44 regular or special parole units. These operations are geographically dispersed throughout the state.

The department also provides services and assistance in the development and improvement of local juvenile justice systems and delinquency reduction programs through consultation, training and financial assistance. Primary emphasis is placed on the support of local rehabilitation programs in order to divert potential commitments to the state correctional system.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Community Services -----	29.2	34.9	30	\$17,819,462	\$20,623,085	\$21,622,807
II. Rehabilitation -----	3,299.7	3,411.5	3,289.2	47,184,814	51,556,800	53,170,255
III. Research and Evaluation -----	50.6	52.7	43.2	639,261	708,602	591,882
IV. Administration—distributed to other programs -----	142.1	147.9	148.7	(2,453,450)	(2,681,498)	(2,807,870)
V. Administration—undistributed --	—	—	—	247,448	256,037	256,896
TOTALS, PROGRAMS -----	3,521.6	3,647	3,511.1	\$65,890,985	\$73,144,524	\$75,641,840
Reimbursements -----				-1,944,547	-2,519,504	-3,217,765
NET TOTALS, PROGRAMS -----				\$63,946,438	\$70,625,020	\$72,424,075
General Fund -----				62,528,380	68,747,738	70,739,648
Federal fund -----				1,418,058	1,877,282	1,684,427

STATEMENT OF POPULATION—INSTITUTION AND PAROLE

FACILITY AND PAROLE	Population at End of Fiscal Year			Average Daily Population for		
	Actual June 30, 1970	Estimated June 30, 1971	Estimated June 30, 1972	Actual 1969-70	Fiscal Year Estimated 1970-71	Estimated 1971-72
RECEPTION CENTERS AND CLINICS						
Northern Reception Center-Clinic -----	236	305	305	241	305	305
Southern Reception Center-Clinic -----	361	340	330	354	340	330
Ventura Reception Center-Clinic -----	75	75	75	70	75	75
Totals, Reception Centers and Clinics -----	672	720	710	665	720	710
FACILITIES FOR BOYS						
Youth Authority Conservation Camps for Boys ----	304	320	320	279	304	320
Schools for Boys:						
Fricot -----	167	—	—	178	210	—
Fred C. Nelles -----	510	560	560	542	515	560
Northern California Youth Center:						
O. H. Close -----	358	379	379	366	370	379
Karl Holton -----	390	400	400	389	390	400
Paso Robles -----	354	370	370	370	365	370
Preston -----	772	750	750	780	750	750
Southern California Youth Center:						
Youth Training School -----	1,194	1,224	1,224	1,174	1,200	1,224
Los Guilucos—boys -----	—	36	36	—	—	36
Ventura School—boys -----	—	100	100	—	35	100
Totals, Schools for Boys -----	3,745	3,819	3,819	3,799	3,835	3,819
Totals, Facilities for Boys -----	4,049	4,139	4,139	4,078	4,139	4,139
Change from preceding year -----	-208 (-4.9%)	90 (2.2%)	—	-7 (-0.2%)	61 (1.5%)	—
FACILITIES FOR GIRLS						
Los Guilucos -----	194	215	215	193	215	215
Ventura -----	338	320	320	376	320	320
Totals, Facilities for Girls -----	532	535	535	569	535	535
Change from preceding year -----	-98 (-15.6%)	3 (0.6%)	—	-11 (-1.9%)	-34 (-6.4%)	—
TOTALS, ALL FACILITIES -----	5,253	5,394	5,384	5,312	5,394	5,384
Change from preceding year -----	-372 (-6.6%)	141 (2.7%)	-10 (-0.2%)	-82 (-1.5%)	82 (1.5%)	-10 (-0.2%)
Boys and girls in Department of Corrections facilities	823	830	830	812	830	830

DEPARTMENT OF THE YOUTH AUTHORITY—Continued

STATEMENT OF POPULATION—INSTITUTION AND PAROLE—Continued

FACILITY AND PAROLE	Population at End of Fiscal Year			Average Daily Population for Fiscal Year		
	Actual June 30, 1970	Estimated June 30, 1971	Estimated June 30, 1972	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
PAROLE CASELOADS						
Regular caseload supervision -----	12,390	12,064	12,168	12,572	12,306	12,129
Community treatment -----	63	124	128	61	100	128
Guided group interaction -----	87	75	75	81	78	75
Ventura intensive treatment -----	130	117	117	131	121	117
Partway home -----	10	10	10	10	10	10
Community parole centers—on parole -----	937	910	910	911	923	910
Totals, Parole Caseloads Supervised -----	13,617	13,300	13,408	13,766	13,538	13,369
Change from preceding year -----	-144	-317	108	-167	-228	-169
	(-1%)	(-2.3%)	(0.8%)	(-1.2%)	(-1.7%)	(-1.2%)

SUMMARY OF COMPARATIVE PER CAPITA COST AND OVERALL WARD-EMPLOYEE RATIOS

	Actual 1969-70		Estimated 1970-71		Proposed 1971-72	
	Ratio wards employee	Per capita	Ratio wards employee	Per capita	Ratio wards employee	Per capita
Northern California Reception Center and Clinic ----	1.4 to 1	\$8,662	1.8 to 1	\$6,887	1.8 to 1	\$6,920
Southern California Reception Center and Clinic ----	1.8 to 1	7,114	1.7 to 1	7,857	1.6 to 1	8,439
Youth Authority Conservation Camps for Boys -----	3.2 to 1	4,634	3.4 to 1	4,648	3.9 to 1	4,293
Fricot Ranch School for Boys -----	1.6 to 1	8,123	1.9 to 1	7,402	-	-
Fred C. Nelles School for Boys -----	2.0 to 1	6,315	1.8 to 1	6,976	1.9 to 1	6,786
Northern California Youth Center -----	1.6 to 1	7,367	1.6 to 1	8,016	1.7 to 1	7,930
Paso Robles School for Boys -----	1.8 to 1	7,091	1.8 to 1	7,339	1.9 to 1	7,410
Preston School of Industry -----	2.1 to 1	5,613	1.9 to 1	6,320	1.9 to 1	6,413
Southern California Youth Center -----	2.9 to 1	4,809	2.8 to 1	5,179	2.9 to 1	5,169
Los Guilucos School for Girls -----	1.3 to 1	9,303	1.4 to 1	9,030	1.5 to 1	8,445
Ventura School for Girls -----	1.7 to 1	6,995	1.5 to 1	7,987	1.7 to 1	7,849
Average Population Per Capita Costs -----	-	\$6,371	-	\$6,754	-	\$6,725

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

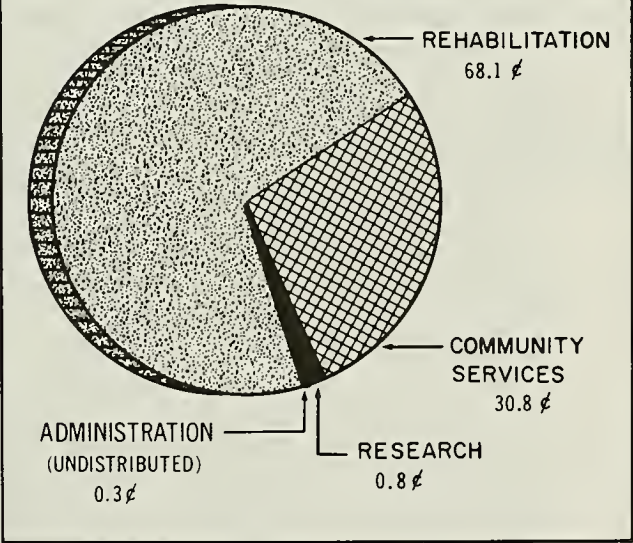
Community Services Program

The Probation Subsidy Program will require \$15.9 million dollars in 1971-72, or an increase of \$1,150,000 over 1970-71. Since its inception in 1966-67 through 1969-70, there has been a reduction of 10,806 juvenile and adult commitments by the counties to the state compared to the numbers which would have been committed if past rates had continued. In 1971-72, 48 of the 60 county probation departments will be in the program, which will include counties accounting for 95 percent of the state population.

In order to more effectively coordinate state planning for delinquency reduction with program implementation, the California Council on Criminal Justice has contracted with the department to provide a variety of services to the state's communities as well as carry out comprehensive planning for the Juvenile Delinquency Task Force. Two positions have been added to meet this increased workload. As a result of this contract, staff responsibilities during 1971-72 will include providing planning staff services in delinquency reduction to communities, developing further coordination between existing juvenile justice and delinquency prevention agencies and new federally funded programs, providing technical assistance to project proponents in proposal development, providing a variety of staff support services such as assistance in assessing and processing prevention grant applications, sponsoring several special training conferences and special consultation such as research and evaluation procedures.

During 1970-71, the Youth Authority was awarded a two-year grant, subject to annual review and ap-

YOUTH AUTHORITY DOLLAR
... and how it is spent



DEPARTMENT OF THE YOUTH AUTHORITY—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

Community Services Program—Continued

proval, by the Law Enforcement Assistance Administration for a pilot program establishing a law enforcement consultant team that operates under the supervision of this division. Six police officers are involved in the project. They are at the command level

and are on a professional development assignment from their own department. Their major objectives while on assignment to this division are to identify, assess, plan and stimulate needed prevention and correctional programs throughout the state.

Rehabilitation Program

The reorganization of major program units within the department, as authorized in the 1970-71 Governor's Budget, has been accomplished through the integration of parole and institution services into the Division of Rehabilitation Services. The objective of the reorganization is to provide a continuous, coordinated treatment program for Youth Authority wards.

Trends—Youth Authority Population

1. Ethnic group composition of wards committed to the Youth Authority has undergone a significant change in recent years. In 1962 minority group members constituted 44 percent of Youth Authority's population. Minority group members now comprise 49 percent of the total wards under jurisdiction of the Youth Authority.

2. The prior offense records of wards currently being committed to the Youth Authority are more extensive. For example, between 1960 and 1969, the proportion of wards with no prior record has decreased from 6 percent to 3 percent. Boys in institutions with a commitment offense in the category of "offenses against persons" now comprise 26.3 percent as compared to 16.1 percent of the total male institution population in 1960.

3. The age of wards committed to the Youth Authority is increasing. The median age of all wards committed in 1960 was 17 years while in 1969 it was 17.6 years. Since 1956, the juvenile court-criminal court "mix" of commitments to the Youth Authority has shifted significantly, criminal court commitments have increased both in number and in percentage of the total. The 1956 ratio was 79.6 percent juvenile and 20.4 percent criminal court commitments. The 1969 ratio was 61.8 percent juvenile and 38.2 percent criminal court cases.

In summary, the department is receiving older, more sophisticated wards whose delinquent history is more extensive. In addition, a larger segment are minority youths. Many of the youth being received by the department reflect and act out the current and complex problems of the society from which they are sent.

Of those wards on parole, about 44 percent of the boys and 26 percent of the girls are living with their own families, a decrease from previous years. This would be expected in light of the older population now on parole. School attendance among wards on parole declined for the fourth straight year. Despite this decrease in overall school attendance, the proportion of wards attending college increased. Of all wards in school in 1969, 13 percent of the boys and 7 percent of the girls were in college, compared to 7 percent and 5 percent, respectively, in 1960. The older

age factor has implications on the institution education programs since more wards are now receiving what in effect is their terminal education, in addition to another group of wards who are being prepared for college. Despite the increasing age of the population, a factor which would presumably increase employability, the extent of the employment among parole caseloads has declined 9.1 percentage points since 1966 from 69 percent to 59.9 percent.

The median age of both boys and girls increased for the fourth consecutive year reflecting the effect of the State Probation Subsidy Program on the Youth Authority population. Younger juvenile court wards are generally retained by the counties for inclusion in the subsidy programs resulting in a higher median age at the time of commitment to the Youth Authority. Because of reductions in the number of commitments, in the younger age group, Fricot Ranch School for Boys, located near San Andreas, will be closed by June 30, 1971. Vacant capacity at the Los Guilucos School for Girls, the Ventura School for Girls and the Fred C. Nelles School for Boys will be utilized to take care of wards now housed at Fricot.

With vacant living units at both girls institutions, the Youth Authority is establishing boys units at each of the girls institutions. Ventura School for Girls opened a cottage for boys in October, 1970, and will open a second cottage with the closure of Fricot. Los Guilucos School for Girls will start the same type of program with the closing of Fricot.

The Youth Authority has received a federal grant to establish an experimental workload unit system in a parole office. This system assigns weights (time expressed in units of work) to specific services provided by parole agents in lieu of the present case count (1 case, 1 count) workload formula. Greater effectiveness in workload management is anticipated. This system will be tested in the Bakersfield parole unit as an operational pilot project. The intent is to demonstrate the increased effectiveness of the workload management system over the traditional parole operation and to identify those service activities of parole agents that are most necessary for effective rehabilitation of wards.

A periodic management review of educational programs revealed actual student absences from classes were higher than those used in the budget formula for determining teacher staffing needs for the current fiscal year. The department has adjusted the absence factor in ward/teacher ratio calculations to reflect current program practices. Periodic reviews of the education program will be continued to confirm actual teacher staffing requirements. The total reduction in teacher staffing amounts to 18.4 positions and \$234,000.

DEPARTMENT OF THE YOUTH AUTHORITY—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

Rehabilitation Program—Continued

chart II

INSTITUTIONAL AND PAROLE
POPULATION

BY TYPE OF CUSTODY

TOTAL ALL WARDS
ON PAROLE
CJA INSTITUTIONS
CDC INSTITUTIONS
ESTIMATED

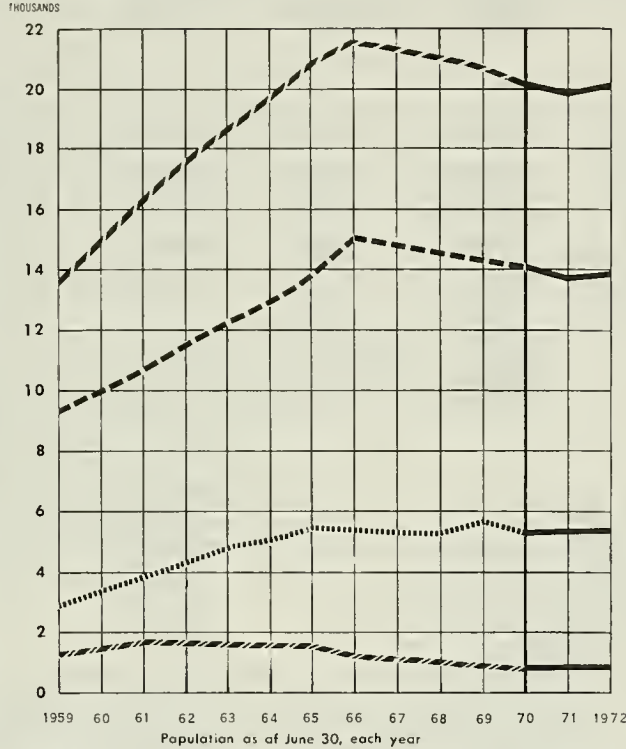


Chart II indicates ward population statistics from 1959 to 1972. The proposed 1971-72 budget is to provide for the care and treatment of about 19,000 wards, of which approximately 13,500 will be on parole and the balance in institutions.

chart III

FIRST COMMITMENTS TO THE
CALIFORNIA YOUTH AUTHORITY

ESTIMATED
TOTAL ALL WARDS
JUVENILE COURT BOYS
CRIMINAL COURT BOYS
ALL GIRLS

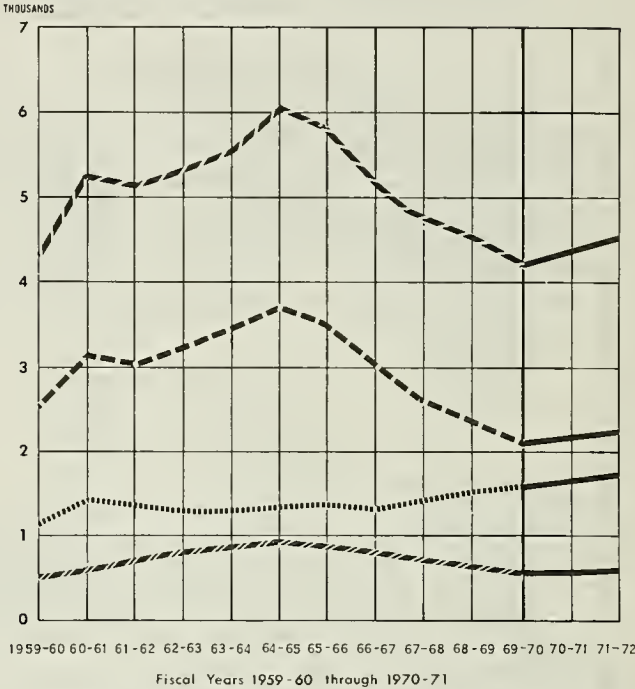


Chart III shows first commitments to the Youth Authority for the period 1959-60 to 1971-72. It is estimated that 4,538 boys and girls will be committed during the 1971-72 fiscal year, of which 2,829 will be processed through Youth Authority reception centers and the remaining 1,709 through Department of Corrections facilities.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	3,521.6	3,647	3,511.1	\$35,450,902	\$38,428,958	\$37,644,823
Staff benefits -----	-	-	-	3,830,888	4,277,483	6,339,438
Totals, Personal Services -----	3,521.6	3,647	3,511.1	\$39,281,790	\$42,706,441	\$43,984,261
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$1,113,089	\$1,209,740	\$1,299,110
Travel -----				808,211	871,810	883,400
Facilities expense -----				1,991,789	2,150,355	2,249,150
Subsistence and personal care -----				5,697,632	6,424,963	6,480,029
Contractual services -----				27,239	249,522	136,215
Equipment -----				338,492	293,998	301,740
Totals, Operating Expenses and Equipment -----				\$9,976,452	\$11,200,388	\$11,349,644
MINOR CAPITAL OUTLAY -----						
WARD PAYWORK -----				40,275	43,480	5,000
Totals, Expenditures -----				\$49,298,517	\$53,950,309	\$55,404,125
Reimbursements -----				-1,944,547	-2,519,504	-3,217,765
Net Expenditures -----				\$47,353,970	\$51,430,805	\$52,186,360

DEPARTMENT OF THE YOUTH AUTHORITY—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	STATE OPERATIONS—Continued			
2				
3	SPECIAL ITEMS OF EXPENSE			
4	Transportation of inmates and parole violators -----	\$37,540	\$43,540	\$43,540
5				
6	Totals, Expenditures -----	\$47,391,510	\$51,474,345	\$52,229,900
7	General Fund -----	46,095,459	49,722,063	50,545,473
8	Federal funds -----	1,296,051	1,752,282	1,684,427
9				
10				
11	LOCAL ASSISTANCE			
12				
13	Assistance to counties for maintenance and operation of juvenile			
14	homes and camps (General Fund) -----	\$3,186,019	\$3,316,340	\$3,337,340
15	Assistance to counties for construction of juvenile homes and			
16	camps (General Fund) -----	84,000	600,000	600,000
17	Assistance for control of juveniles, including construction of border			
18	check station (General Fund) -----	104,560	219,635	129,635
19	Assistance to county delinquency prevention commissions			
20	(General Fund) -----	227,613	127,200	227,200
21	Assistance to counties for special probation supervision programs			
22	(General Fund) -----	12,731,557	14,712,500	15,900,000
23	Assistance to counties for pilot youth service bureaus (General			
24	Fund) -----	221,179	175,000	-
25				
26	Totals, Expenditures -----	\$16,554,928	\$19,150,675	\$20,194,175
27	General Fund -----	16,432,921	19,025,675	20,194,175
28	Federal funds -----	122,007	125,000	-
29				
30				
31	APPROPRIATIONS			
32				
33	Support, Item 220 (General Fund) -----			\$50,501,933
34	Support, transportation of persons committed, Item 221 (General Fund) -----			43,540
35	Local Assistance:			
36	Assistance to counties for maintenance and operations, Item 222 (General Fund) -----			3,337,340
37	Assistance to counties for construction, Item 223 (General Fund) -----			600,000
38	Assistance for control of juveniles, Item 224 (General Fund) -----			129,635
39	Assistance to county delinquency prevention commissions, Item 225 (General Fund) -----			27,200
40	Assistance to county delinquency prevention commissions, Item 226 (General Fund) -----			200,000
41	Assistance to counties for special supervision programs, Item 227 (General Fund) -----			15,900,000
42	Other:			
43	State operation grants (Federal funds) -----			1,684,427
44				
45				
46				
47	REVENUES	ACTUAL	ESTIMATED	PROPOSED
48		1969-70	1970-71	1971-72
49				
50	General Fund -----	\$1,331,354	\$1,109,800	\$3,650
51				
52				
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DEPARTMENT OF THE YOUTH AUTHORITY—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	Department of the Youth Authority—Capital Outlay			
2				
3				
4	Major Projects -----	\$680,686	\$431,239	\$150,000
5	Minor Projects -----	266,589	80,035	- *
6				
7	Totals, Expenditures -----	\$947,275	\$511,274	\$150,000
8	General Fund -----	944,904	98,559	150,000
9	State Construction Program Fund -----	2,371	412,715	-
10				
11	Summary by Institution—Major Projects			
12				
13	Northern Reception Center-Clinic -----	-	-	\$150,000
14	Fred C. Nelles School for Boys -----	\$1,141	-	-
15	Northern California Youth Center -----	2,371	-	-
16	Southern California Youth Center -----	232,113	\$3,609	-
17	Paso Robles School for Boys -----	233,870	14,915	-
18	Preston School of Industry -----	198,442	412,715	-
19	Los Guilucos School for Girls -----	12,749	-	-
20				
21	TOTALS, EXPENDITURES, MAJOR CAPITAL OUTLAY -----	\$680,686	\$431,239	\$150,000
22	General Fund -----	678,315	18,524	150,000
23	State Construction Program Fund -----	2,371	412,715	-
24				
25	Summary by Institution—Minor Projects			
26				
27	Northern Reception Center-Clinic -----	\$68,018	-	-
28	Southern Reception Center-Clinic -----	114,330	-	-
29	Fred C. Nelles School for Boys -----	500	36,000	-
30	Paso Robles School for Boys -----	43,351	15,070	-
31	Preston School of Industry -----	11,111	-	-
32	Ventura School -----	9,742	-	-
33	Northern California Youth Center -----	12,400	14,300	-
34	Youth Conservation Camps -----	1,041	-	-
35	Southern California Youth Center -----	6,096	-	-
36	Los Guilucos School for Girls -----	-	14,665	-
37				
38	TOTALS, MINOR PROJECTS (General Fund) -----	\$266,589	\$80,035	- *
39				
40				

GENERAL ANALYSIS

This department is responsible for the custody and rehabilitation of delinquent youths committed by the juvenile and criminal courts. The department operates 14 institutions. These facilities include one reception center in Northern California for both boys and girls, one reception center in southern California for boys only; four youth conservation camps, six training schools for boys and two training schools for girls. A reception center-clinic for girls in southern California is operated as part of the Ventura School for Girls.

These facilities will house an average population of 5,384 boys and girls during the 1971-72 fiscal year, with a year-end population of 5,446. In addition, an average of 830 of the older and more dangerous Youth Authority wards will be housed in Department of Corrections institutions during the budget year.

Consistent with accepted national practices, the department has developed institutions based upon a philosophy of working with homogenous groups. In accordance with this principle, the department prefers to develop small institutions, 150-200 capacity for the youngest wards and 300-400 capacity for the older wards. Difficulties in financing state institutions have compelled the construction of institutions

larger than these capacities. In order to achieve the economies of larger institutions together with the benefits derived from smaller institutions, the department has embarked upon a program of constructing the Northern California Youth Center and the Southern California Youth Center. These will be clusters of institutions with each unit providing a 400-ward capacity. Each cluster will be developed around a central administration and services core.

The O. H. Close School for Boys, the first 400-bed institution at the Northern California Youth Center complex in Stockton, was opened in July, 1966. The second institution, the Karl Holton School for Boys was opened in July, 1967.

Because of a lower number of commitments in the younger age group, Fricot Ranch School for Boys, located near San Andreas, will be closed by June 30, 1971. Vacant capacity at the Los Guilucos School for Girls, the Ventura School for Girls and the Fred C. Nelles School for Boys will be utilized to take care of wards now housed at Fricot.

A major project at the Northern Reception Center-Clinic is proposed in 1971-72 to eliminate fire hazards in a number of structures.

APPROPRIATION

Capital Outlay, Item 298 (General Fund) ----- \$150,000

* Minor Capital Outlay is reflected in the State Operations Budget beginning in 1971-72.

HEALTH CARE SERVICES

Headquarters Office at Sacramento

GENERAL ANALYSIS

Health is regarded as one of the nation's great resources and is directly related to the country's growth and productivity. In order that the nation may benefit from this resource, its citizens must have available to them a program of preventive, diagnostic, restorative, and rehabilitative medical care. The federal government has made funds available to the states to improve public programs of health care so that by 1977 all citizens whose income and resources are insufficient to meet their costs of medical care can be assured comprehensive medical and health benefits.

The program provides medical assistance to families with dependent children, to the aged, blind, and the permanently and totally disabled individuals whose income and resources are either insufficient to meet the costs of necessary medical services or are so limited that their application toward the costs of such care would jeopardize the person's or family's future minimum self-maintenance and security.

Federal requirements call for a single state agency to assume overall responsibility for the administration of the program and to coordinate it with other federal, state and local programs. Medi-Cal is administered by the Department of Health Care Services, in the Human Relations Agency.

The operation of the program involves several state and many local governmental units under the overall direction of the Department of Health Care Services. Each county, through its welfare department, certifies program eligibility for the applicants who meet established standards.

In most areas of the state, the providers of services send their bills to the state's contracted fiscal intermediaries for payment. The fiscal intermediaries check the claims for program compliance and make payments to the providers of service. In specified areas of the state, providers of services send their bills to local foundations for medical care or to other local organizations conducting prepayment or other demonstration projects.

Funding is provided by the federal government in the amount of approximately 50 percent of the total cost of care, by the state in the amount annually appropriated by the Legislature, and by the county in the amounts computed under provisions of Section 14150 of the Welfare and Institutions Code or under Section 14150.1 in the case of those counties who have elected that optional method.

Closely related to the Federal Social Security Administration's Medicare Program, which is administered under Title XVIII of the Social Security Act, the California Medical Assistance Program assumes the responsibility for care where Title XVIII ends when a person is qualified for both programs. California's program has been designed to correlate as nearly as possible with the probable patterns of service, vendor relationships, and fiscal arrangements of the federal program. Care has been exercised to minimize duplication of effort in the administration of the two programs.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Title XIX services -----	-	-	-	\$978,556,461	\$1,058,277,300	\$978,519,300
County option program -----	-	-	-	144,007,848	146,612,162	143,800,000
Administration -----	255.7	709.6	865.6	36,464,934	52,997,205	59,387,978
Special item of expense -----	-	-	-	-	-	144,000,000
Prior year audit recovery ^a -----	-	-	-	-12,363,132	-	-
Adjustment for modified accrual -----	-	-	-	-27,661,452	-	10,269,000
TOTALS, PROGRAMS -----	255.7	709.6	865.6	\$1,119,004,659	\$1,257,886,667	\$1,335,976,278
Reimbursements:						
County funds ^b -----				-216,260,843	-217,570,315	-217,800,000
Federal funds ^b -----				-509,826,800	-551,624,493	-522,540,936
NET TOTALS, PROGRAM (General Fund) -----				\$392,917,016	\$488,691,859	\$595,635,342

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

"Average Citizen Plan"

The Average Citizen Budget restores the balance of medical services between that received by the publicly supported indigent and the taxpaying, self-supporting citizen. The Medi-Cal program, as hitherto structured, has provided unlimited access to health care with minimal limitations and no participation in costs on the part of recipients. This open access has placed the self-supporting citizen at a competitive disadvantage in obtaining needed health care. Constrained by the

need to pay, utilization by the self-supporting citizen has been essentially self-controlled. High rates of utilization on the part of Medi-Cal recipients, however, have placed considerable stress on the availability of scarce resources to all California citizens and encouraged and stimulated the inflation in health care costs.

The Average Citizen Budget proposes (1) to consider the average cost of health care received by Americans, (2) to provide for supplementation based on the special characteristics of the recipient group,

^a This recovery of state funds is from prior year expenditures which were appropriated without regard to fiscal year. These funds have been credited to fiscal year 1969-70.

^b Neither receipts nor expenditures of federal funds or county funds are included in overall budget totals.

HEALTH CARE SERVICES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

and (3) to establish a schedule of services with appropriate controls which will bring the Medi-Cal recipient closer to his neighbor in health care received.

Under this plan, there will be no diminution in the provision of emergency care and in the availability of critical life sustaining services such as blood, oxygen, and renal dialysis. Modifications to the program will be structured to provide appropriate restraints on excess utilization of services.

The department will continue to establish regional prepayment capitation agreements. It anticipates that the average citizen plan will facilitate participation on the part of health care groups through the ability to structure appropriate program limits.

No single service or provider group is eliminated under the program; however, controls are being designed to place major emphasis on the provision of those elements of care which are most critical to the maintenance of health.

The program in total will continue to represent a major investment in the health of California's needy. Despite the anticipated controls, this budget provides for an average per capita cost which will continue to exceed that expended by the self-supporting citizen responsible for his own health care.

Program Controls

The program, through payments to medical care providers, has made available to cash grant recipients and other medically needy persons a range of medical care generally available to the rest of society.

While purchasing care through the existing health care delivery system, the Department of Health Care Services has established and is constantly evaluating and improving a system of utilization and cost controls to insure economic use of public funds for medically necessary services only. Prior authorization by a Medi-Cal consultant (physician, dentist, pharmacist, or other appropriate expert depending upon the requested service) is required for many services; schedules of maximum allowances are used to control the level of payments for many services, the fiscal intermediaries' procedures for utilization review by provider peers results in reduced payments to some providers and lower future claims.

Pilot Projects

In addition to these utilization and cost controls, the department contracted with special groups to try out new ways of providing and paying for needed medical care. Demonstration projects located in different areas of the state are underway testing prepayment arrangements; computerized service and claims profiles of patients and providers; and for selected target groups, modification of the predominant delivery care system itself. Findings from these projects should provide ways to improve the entire program.

Medical-Social Review

The Department of Health Care Services implemented, as required by the 1967 amendments to the Social Security Act, a program of medical social re-

view for Medi-Cal patients in nursing homes. This program provides for a medical evaluation of each patient's need for skilled nursing home care and for an evaluation of the adequacy of services available to meet the health needs of each patient. Evaluation of the level of care needed by patients in nursing homes has resulted in the placement of some patients, identified as requiring lower levels of care, into alternate facilities. Estimated savings as a result of these placement changes are reflected in the nursing home and hospital budget estimates.

Standardized Reimbursements

The Department of Health Care Services also established schedules of maximum allowance for home health agencies and hospital outpatient services. These schedules aid the department in controlling program costs and assuring consistent, equitable payments to all affected providers.

Medically Needy

The department has tightened eligibility requirements for the medically needy II caseload and also implemented administrative mechanisms to insure full payment by the medically needy II group of their "share of cost." In conjunction with these actions, the benefits available to the medically needy II caseload was expanded to include the full scope of Medi-Cal program benefits.

Medi-Cal Management System

The Medi-Cal management system will near completion in the 1971-72 fiscal year. This computer-based claims processing and management information system will provide the Department of Health Care Services with new tools to administer the Medi-Cal program. The system provides for more efficient management on the use of services. Accurate and timely claims processing and payments will increase the number of providers participating in the program which will improve health care services to Medi-Cal patients. The system will be operated as a prototype in Santa Clara and San Diego Counties during the first six months of 1972. If the system operates as anticipated, the system will be implemented on a statewide basis.

County Option Program

In fiscal year 1970-71 the state appropriated \$35 million for allocation to the 27 option counties for the state's share of the cost of care for medically indigent persons not otherwise covered by state medical assistance programs. The effect of the option program has been to provide state funds for costs of care which otherwise would have been borne by the counties through increases in local tax rates.

The county option has also contributed to the upgrading of the level of care provided at county hospitals in that the increased costs for health care are reimbursable under the option. Services provided are generally comparable to those provided in county hospitals to persons eligible under the federally shared Title XIX portion of the Medi-Cal program and those persons eligible for Medicare.

HEALTH CARE SERVICES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

The 1971-72 budget provides for a continuation of the \$35 million level of state sharing in this program.

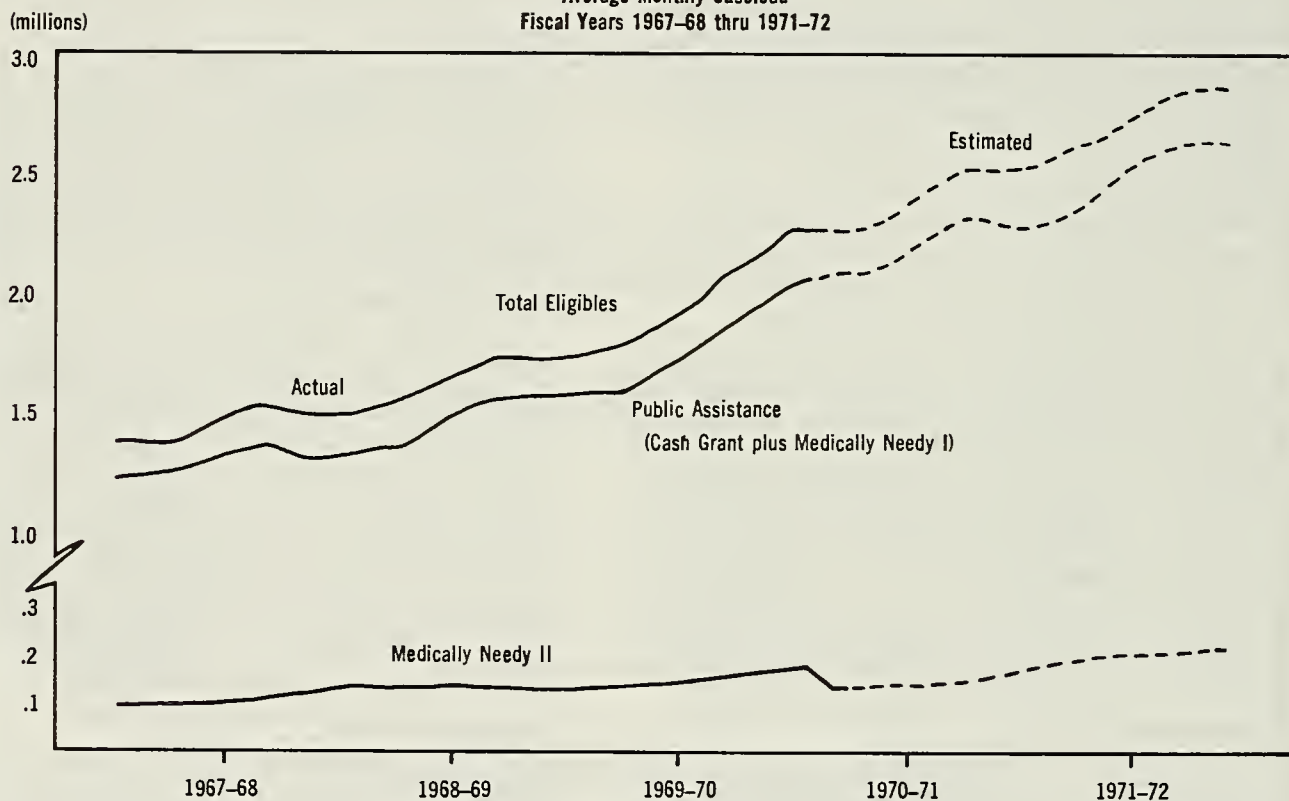
Special Item of Expense—Additional Coverage

For the Average Citizen Plan, this additional coverage will be available to supplement the basic program. In those instances where a critical spell of illness goes beyond the basic scope of the Average Citizen Plan, coverage will be available under this appropriation for the cost of such care. As such, this additional coverage will provide protection to the counties by absorbing the cost of required services beyond the basic plan.

If legislation is approved at the 1971 session of the Legislature, authorizing a California Health Insurance Plan, this item will provide additional coverage

under the plan and will enable the state to seek additional federal matching funds. The California Health Insurance Plan, CHIP, is being developed to establish a basic medical care program for Californians. The plan will provide a scope of services that approximates those received by the average citizen. Further, the new program will ultimately consider patient copayment and limitations on the amount of services available. CHIP will improve the methods of controlling rising program costs and ways to eliminate the incentive to remain on welfare and receive comprehensive health care benefits. Lastly, the proposal will define an administrative structure capable of incorporating the best of insurance industry practices and a system to constantly assess proposals for possible improvements.

MEDI-CAL—TITLE XIX
Average Monthly Caseload
Fiscal Years 1967-68 thru 1971-72



Average Monthly Caseload 1

	CASH GRANT PLUS MNO ² I	MNO ² II	TOTAL
1971-72 estimated -----	2,512,300	219,200	2,731,500
1970-71 estimated -----	2,203,300	199,600	2,402,900
1969-70 actual -----	1,790,224	160,956	1,951,180
1968-69 actual -----	1,504,580	139,020	1,643,600
1967-68 actual -----	1,366,075	109,587	1,475,662

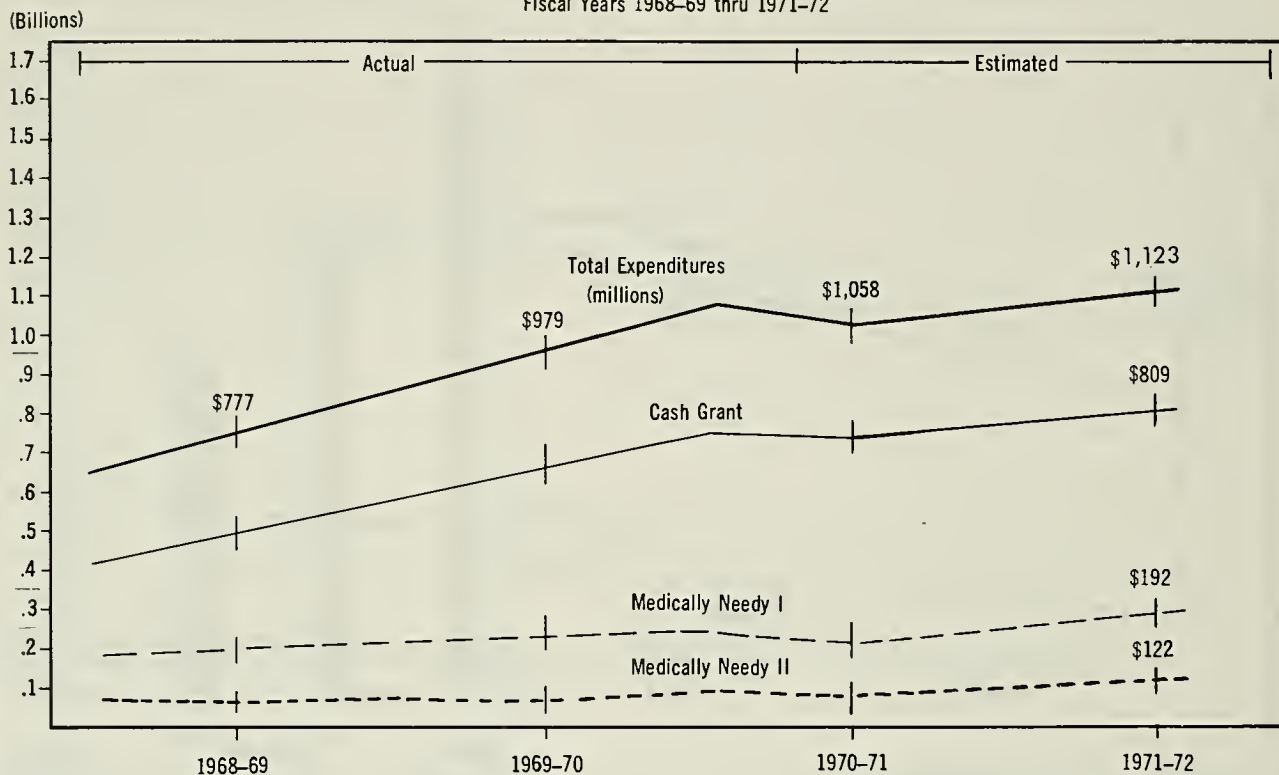
¹ September, 1970, projections.

² MNO—Medically needy only.

HEALTH CARE SERVICES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

MEDI-CAL—TITLE XIX Expenditures, Total, Cash Grant, and Medically Needy I and II Fiscal Years 1968-69 thru 1971-72

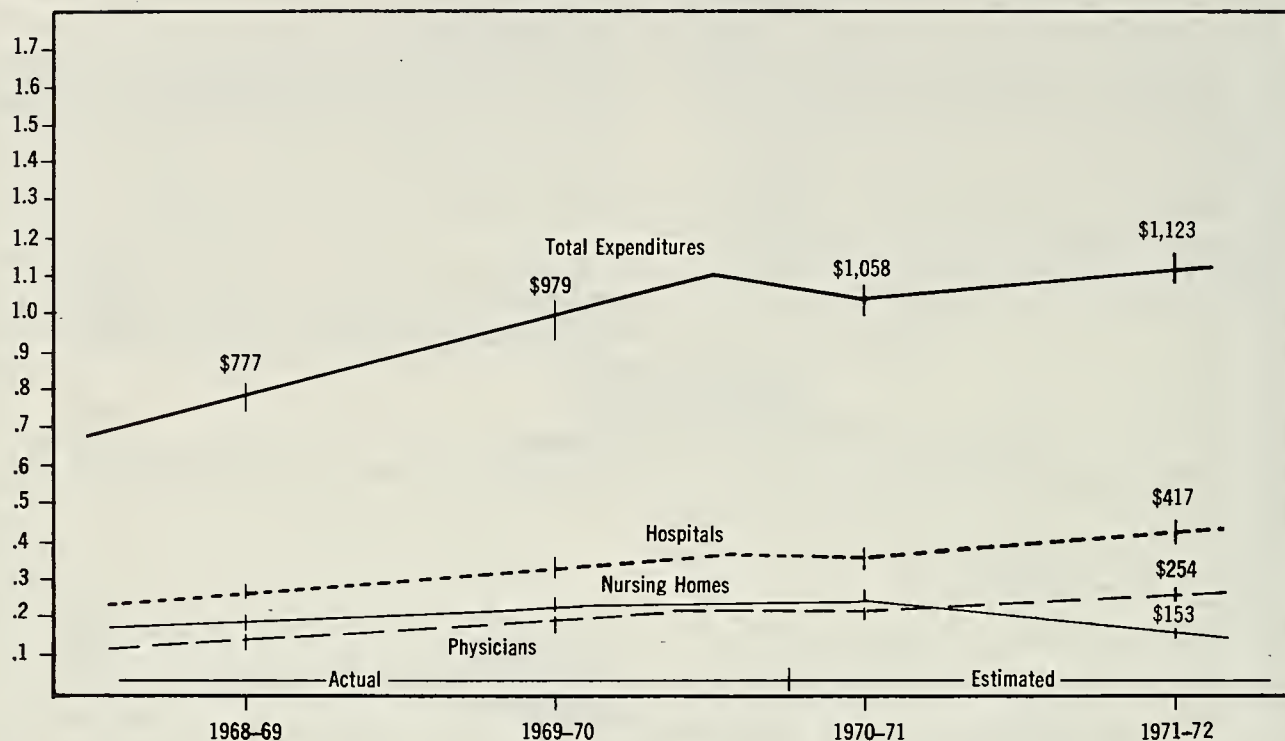


HEALTH CARE SERVICES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

MEDI-CAL—TITLE XIX
Expenditures, Total and Selected Services
Fiscal Years 1968-69 thru 1971-72

(Billions)

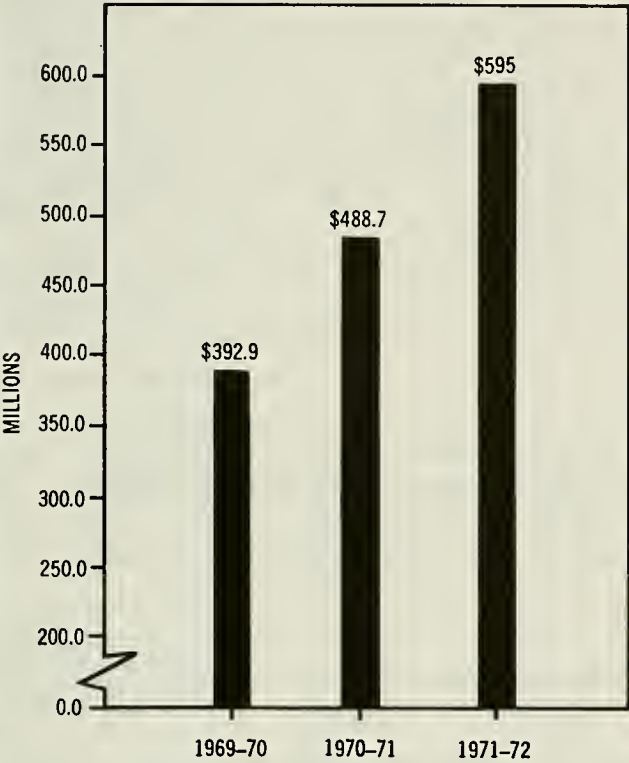


	1969-70	1970-71	1971-72
Total Title XIX expenditures -----	\$978,556,461	\$1,058,277,300	\$1,122,519,300
Hospitals -----	386,097,259	441,911,800	417,190,800
Nursing homes -----	215,699,747	211,497,300	152,578,600
Professional Services -----	179,818,787	202,696,200	253,787,600

HEALTH CARE SERVICES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

MEDI-CAL
State General Fund Share



FISCAL YEAR	AMOUNT
1971-72 estimate ³	\$595,635,342
1970-71 estimate	488,691,859
1969-70 actual	392,917,016

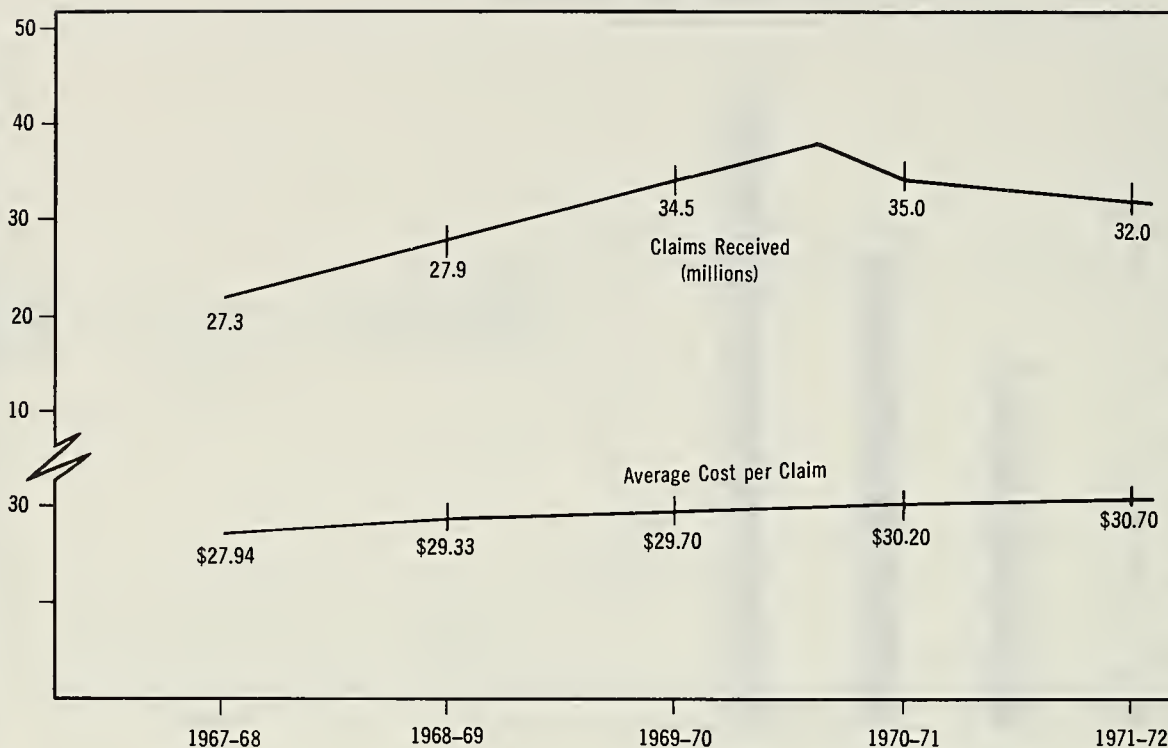
³ Including transfers from Department of Mental Hygiene for local mental health programs.

HEALTH CARE SERVICES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

MEDI-CAL—TITLE XIX

Number of Claims Received and Average Cost per Claim
Fiscal Years 1967-68 thru 1971-72



RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	255.7	709.6	865.6	\$2,926,283	\$7,758,676	\$9,864,473
Staff benefits -----	-	-	-	297,624	911,230	1,238,314
Totals, Personal Services -----	255.7	709.6	865.6	\$3,223,907	\$8,669,906	\$11,102,787
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$410,915	\$918,461	\$980,662
Travel -----				162,537	422,197	473,625
Facilities expense -----				158,604	417,225	474,398
Contractual services -----				2,148,915	3,628,833	2,303,449
Medi-Cal management system -----				234,000	3,429,968	2,022,243
Equipment -----				26,862	206,570	45,231
Totals, Operating Expenses and Equipment -----				\$3,141,833	\$9,023,254	\$6,299,608
Total Expenditures -----				\$6,365,740	\$17,693,160	\$17,402,395
Reimbursements -----				-158,065	-49,915	-
Net Expenditures (Health Care Deposit Fund) -----				\$6,207,675	\$17,643,245	\$17,402,395

HEALTH CARE SERVICES—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	LOCAL ASSISTANCE			
2				
3				
4	TITLE XIX SERVICES			
5	Professional services ⁴ -----	-	-	\$253,787,600
6	Physicians services -----	\$179,818,787	\$202,696,200	-
7	Prescription drugs -----	72,787,931	78,981,000	80,698,700
8	Dental care -----	47,813,020	35,733,000	10,076,400
9	Hospitals ⁵ -----	-	-	417,190,800
10	County hospitals -----	143,809,712	144,320,500	-
11	Community hospitals -----	195,661,278	248,174,300	-
12	State hospitals -----	46,626,269	49,417,000	-
13	Nursing homes -----	215,699,747	211,497,300	152,578,600
14	Other services -----	58,047,421	60,108,700	34,236,500
15	Title XVIII B buy-in -----	18,292,296	27,349,300	29,950,700
16				
17	Totals, Title XIX Services -----	\$978,556,461	\$1,058,277,300	\$978,519,300
18	Special item of expense -----	-	-	144,000,000
19	County option -----	144,007,848	146,612,162	143,800,000
20	Administration -----	30,257,259	35,353,960	41,985,583
21	Adjustment for modified accrual -----	-27,661,452	-	10,269,000
22	Prior year audit adjustment -----	-12,363,132	-	-
23				
24	Totals, Local Assistance -----	\$1,112,796,984	\$1,240,243,422	\$1,174,573,883
25				
26	Totals, Local Assistance -----	\$1,112,796,984	\$1,240,243,422	\$1,318,573,883
27	General Fund -----	392,917,016	488,691,859	595,635,342
28	Federal funds -----	509,826,800	551,624,493	522,540,936
29	County funds -----	216,260,843	217,570,315	217,800,000
30	Support expenditures—Health Care Deposit Fund -----	-6,207,675	-17,643,245	-17,402,395
31				
32				
33	SUMMARY—STATE OPERATIONS AND LOCAL ASSISTANCE	ACTUAL	ESTIMATED	PROPOSED
34		1969-70	1970-71	1971-72
35				
36				
37	State operations -----	\$6,207,675	\$17,643,245	\$17,402,395
38	Local assistance -----	1,112,796,984	1,240,243,422	1,318,573,883
39				
40	Totals, Expenditures -----	\$1,119,004,659	\$1,257,886,667	\$1,335,976,278
41				
42				
43	APPROPRIATIONS			
44				
45	Support, Item 228 (Health Care Deposit Fund) -----			(\$17,402,395) ⁶
46	Local Assistance, Item 229 (General Fund) -----			445,120,692
47	Local Assistance, Special Item of Expense, Item 230 (General Fund) -----			144,000,000
48	Transfer (General Fund) -----			6,514,650
49	Local Assistance (Federal funds) -----			522,540,936
50	Local Assistance (County funds) -----			217,800,000
51				
52				
53	⁴ Includes services previously classified as physicians services and a portion of other services.			
54	⁵ Includes all hospitals previously classified as county hospitals, community hospitals and state hospitals.			
55	⁶ Neither the revenues nor the expenditures of nongovernmental cost funds are included in the overall budget totals.			
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DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT

Headquarters Office at Sacramento

GENERAL ANALYSIS

The department provides job training, placement and related services, unemployment insurance and disability insurance to employable and potentially employable persons in California who are economically disadvantaged. A multiplicity of job training and placement programs are organized into a coordinated system designed to remove employable persons from public dependency and to enlist the full support of private industry in securing jobs for enrollees.

The department is organized and financed to provide the highest priority of service to the economic-

ally disadvantaged as provided for in the Human Resources Development Act of 1968. In addition a balanced program of services is provided employers and workers through regular placement programs for employable persons in industry and agriculture and by the payment of unemployment and disability insurance benefits to those eligible.

The resources and programs of the Office of Economic Opportunity and Commission on Aging are integrated into the objectives and programs of the department.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Job Training Program -----	2,404.8	2,541.8	2,515.7	\$44,146,457	\$52,894,507	\$53,413,790
Expenditures reported in other budgets -----	(168.8)	(159.1)	(91.1)	(3,860,588)	(3,863,915)	(2,010,583)
II. Job Development and Placement Program -----	1,764.7	1,793.5	1,744.9	27,731,855	30,329,621	29,993,919
III. Tax Collections and Insurance Payments Program -----	4,104.3	4,696.4	4,412.7	853,443,429	1,149,273,044	1,094,774,415
IV. Farm Labor Services Program -----	312.5	308.1	308.1	4,128,689	4,192,338	4,364,253
V. Migrant Services Program -----	8.6	9	9	2,782,433	2,619,309	2,938,957
VI. Office of Economic Opportunity-- Technical Assistance, Review, Co- ordination, and Innovative Anti- poverty Programs -----	15.2	46	46	306,581	963,713	989,625
VII. Commission on Aging Program -----	10	11	5	794,053	610,319	545,054
VIII. Administration and Management Services Program--distributed to other programs -----	942.1	815.7	848.7	(12,829,971)	(11,965,578)	(12,683,363)
TOTALS, PROGRAMS -----	9,562.2	10,221.5	9,890.1	\$933,333,497	\$1,240,882,851	\$1,187,020,013
Reimbursements -----	-302.8	-331	-331	-3,040,027	-3,690,240	-3,757,738
NET TOTALS, PROGRAMS -----	9,259.4	9,890.5	9,559.1	\$930,293,470	\$1,237,192,611	\$1,183,262,275
General Fund -----				9,524,206	10,313,553	9,862,711
Unemployment Compensation Disability Fund -----				306,720,010	332,897,343	350,770,457
Department of Human Resources Development Contingent Fund -----				637,644	696,633	725,139
Unemployment Fund (Reed Act) -----				35,931	41,100	42,344
Federal funds -----				613,342,350	893,243,982	821,861,624
In-kind contribution -----				33,329	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Job Training, Development and Placement Programs

Computer-Assisted Employment Service Operations

The computer-assisted job and applicant matching system (LINCS) will be expanded during fiscal year 1970-71 from its 1969-70 capacity of 1,318 occupations to 3,713 occupations representing 53.3 percent of the work force. The LINCS system will be integrated with the computerized job banks in San Francisco and Los Angeles in November 1971. By the end of fiscal year 1971-72, nine job banks will serve all metropolitan areas in the state, representing 83 percent of the total state labor force.

In each area having a job bank, a centralized employer services unit will be established to improve employer relations. At the same time, employer contacts will be controlled to prevent employer harassment, and a comprehensive employer data bank will be developed for use as a resource to field offices.

Services to the Disadvantaged and the Job Ready

As the result of Chapter 1460, Statutes of 1968, the primary direction of the Job Training, Development, and Placement Program has been in services to the disadvantaged. The number of disadvantaged persons placed under the pattern of Chapter 1460, Statutes of 1968, however, has been small when viewed in terms of the total disadvantaged population. This budget provides for the expansion of the Work Incentive Program which makes welfare recipients job ready. The addition of \$1,000,000, 20% State funds and 80% federal funds, will permit the increase of program service slots from 16,800 to 17,600, an increase of 800 slots. This will provide comprehensive manpower services to an additional 1,400 hard-core welfare recipients. One factor militating against placing the disadvantaged has been a recent slowdown in the economy and an increase in the number of job-ready unemployed.

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

This slow-down in the economy will oblige us, under present policy, to provide placement services for larger numbers of the job-ready unemployed. Returning veterans with skills will also swell the total of job-ready applicants who must be served.

Manpower Projects for Displaced Workers

In 1970-71, the department signed a nine-million dollar contract with the Manpower Administration to implement intensive job development projects within the state. Many of the workers to be affected by these projects are displaced aerospace workers and scientific personnel.

In addition, on November 1, 1970, the department began to implement a National Registry for Engineers to maximize the employment potential for unemployed engineers nationwide. The registry is located in the department's central office in Sacramento.

Tax Collections and Insurance Payments Programs

Extended duration benefits payable under the Federal-State Unemployment Compensation Act of 1970 were triggered "on" in December 1970, and the state extended duration will probably trigger "on" in February 1971. This increased claim load is forecast to extend into fiscal year 1972.

An embossed card payment system to issue a negotiable instrument locally has been developed and tested. It will replace local cash pay, bank pay orders, and central mail pay systems. This single system to provide better public service and more effective controls is expected to be installed statewide within fiscal year 1971-72.

The tax collection and insurance payments division offices are being partially reorganized under a district office system. This districting concept will provide better public service at no additional cost.

An Employment Assistance Program has been designed to assist the unemployment insurance claimant to achieve faster reemployment through his own initiative. This program provides labor market information and effective job-finding techniques to job-ready claimants who can benefit therefrom.

Farm Labor Services Program

Services will be expanded to include both agricultural and nonagricultural workers and employers in all rural areas.

Aiding rural workers in attaining continuity of employment and maximum earnings, and fulfilling rural manpower requirements, will involve the entire rural economy.

Agricultural workers displaced by mechanization and other changes in agriculture will be trained in

skills which can be utilized in occupations where the need exists.

Continuity of rural employment will be increased by scheduling and combining seasonal employment in both agricultural and nonagricultural occupations. Employers will be assisted in improving working conditions and employer-employee relations through training courses and seminars.

The full resources of the rural community will be utilized in fulfilling the needs of workers and employers.

Migrant Services Program

During the current year, all Plydom housing units were replaced with a more durable plywood housing unit. This replacement program, due to limited funds, resulted in a 12-percent reduction in the number of housing units in each project which was previously Plydom.

The vocational training and housing manufacturing program operated by Production Training Corporation under a contract with this office, has produced a total of 400 housing units, and placed 92 trainees in permanent jobs. The annual production capacity of this project is approximately 300 units.

The day care and preschool program is funded in the amount of \$1,396,000 with matching funds in the amount of \$349,000—\$97,500 General Fund, and \$251,500 derived from project rental income. The balance from the State Departments of Social Welfare and Education compensatory education programs are provided by the State Department of Education. Infant care programs provided at three locations are funded by the State Department of Social Welfare.

During the 1970-71 fiscal year, there were 25 housing project locations having a total of 1,985 housing units. These projects served 2,687 families consisting of 13,972 persons.

Office of Economic Opportunity

This office is currently laying plans to conduct demonstration programs to test the validity of certain innovative approaches to the problems of poverty in the state. These include:

- 1. The building of a data bank to precisely measure the magnitude and severity of poverty by geographic areas. This will also include the demography of poverty and a probable study on the causes of poverty.
- 2. The compilation of the available resources—federal, state, local and private—that can be brought to bear on the problems of poverty.
- 3. Function as a clearinghouse to match identifiable resources to the problems.

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

4. Increased role as an ombudsman between problem areas and the resources, particularly private sector resources.

5. Test the availability and viability of volunteers in social problem areas.

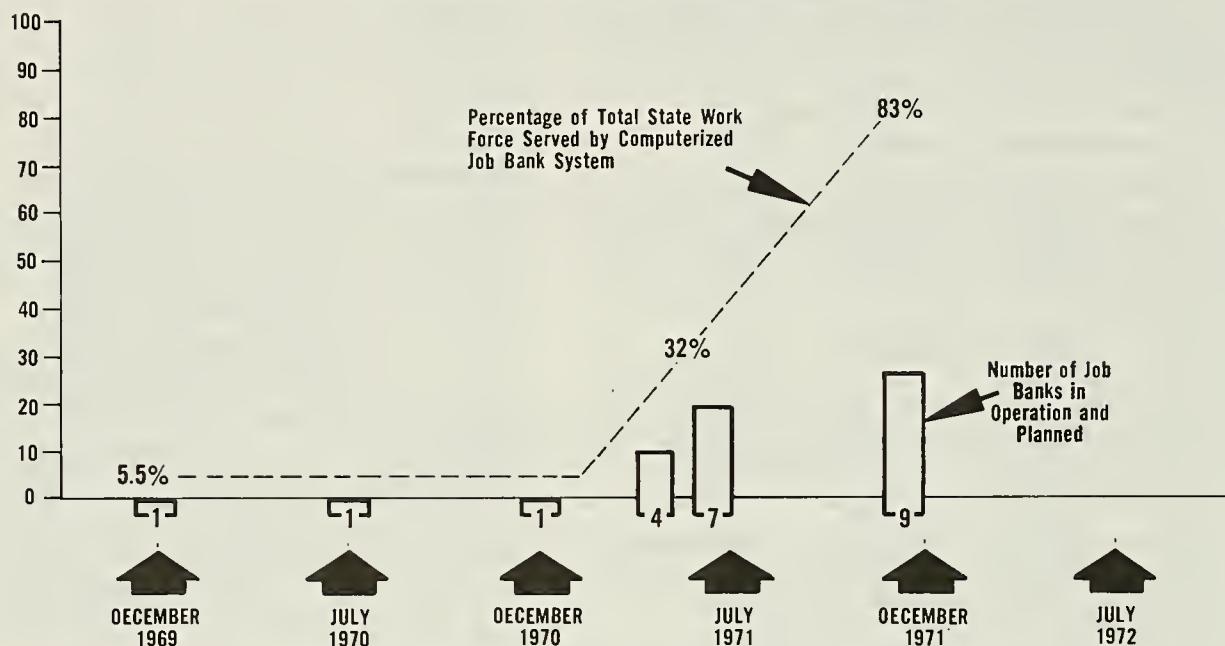
Community Program Analysts will be trained to see that local agencies receiving federal funds will utilize them with more precision. Federal programs requiring Governor's approval will be required to assure more impact and effectiveness. This will be accom-

plished by more comprehensive analysis of programs by this office and effecting a greater positive influence on the local decisionmaking process.

Commission on Aging

The Commission on Aging budget provides for sufficient funds to meet the federal requirements under Title III, Older Americans Act. A priority of needs has been established, and specific procedures developed to answer these needs with greater selectivity.

PLANNED EXPANSION OF JOB BANKS TO SERVE ALL CALIFORNIANS
IN CITIES OR METROPOLITAN AREAS OF OVER 225,000 POPULATION



DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

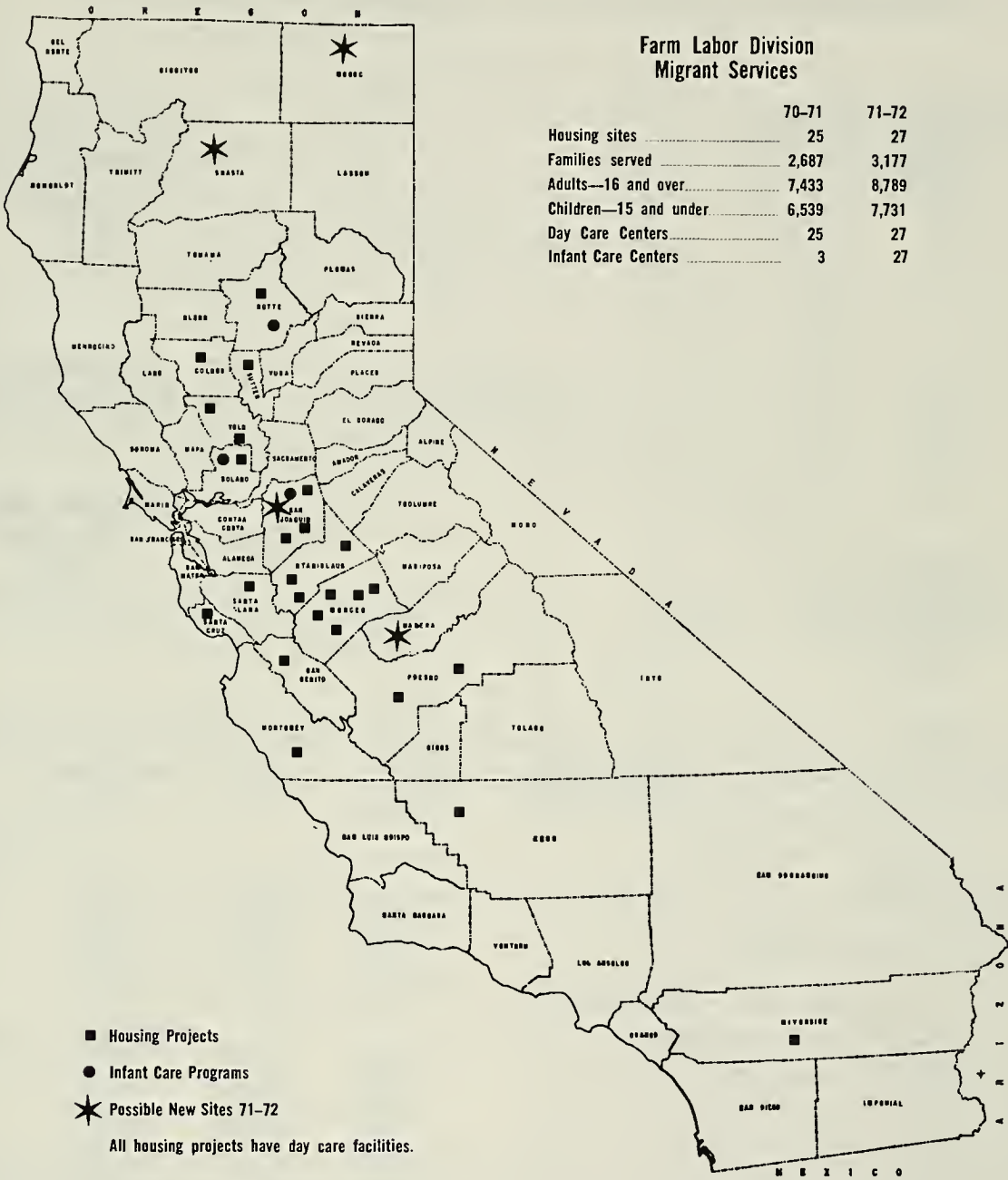
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Farm Labor Division
Migrant Services

	70-71	71-72
Housing sites	25	27
Families served	2,687	3,177
Adults—16 and over.....	7,433	8,789
Children—15 and under	6,539	7,731
Day Care Centers	25	27
Infant Care Centers	3	27

- Housing Projects
- Infant Care Programs
- ★ Possible New Sites 71-72

All housing projects have day care facilities.



DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

Distribution of MDTA Funds By Program Fiscal Year 1971

INSTITUTIONAL TRAINING
\$23,532,000
(42%)

CONCENTRATED
EMPLOYMENT PROJECTS
\$8,014,000
(14%)

JOB UPGRADING
\$1,350,000 (2%)

ON-THE-JOB TRAINING
\$5,225,000
(9%)

JOBS IN THE
BUSINESS SECTOR
\$18,489,000
(33%)

RECAPITULATION BY OBJECT

NO. OF POSITIONS		
69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)

ACTUAL
1969-70

ESTIMATED
1970-71

PROPOSED
1971-72

STATE OPERATIONS

PERSONAL SERVICES

Net salaries and wages	9,562.2	10,221.5	9,890.1	\$84,560,757	\$95,151,674	\$94,734,379
Expenditures reported in other budgets	(168.8)	(159.1)	(91.1)	(1,460,925)	(1,387,362)	(751,323)
Staff benefits	-	-	-	9,268,432	11,059,747	11,212,774
Expenditures reported in other budgets	-	-	-	(172,421)	(166,484)	(93,915)
Totals, Personal Services	9,562.2	10,221.5	9,890.1	\$93,829,189	\$106,211,421	\$105,947,153
Expenditures reported in other budgets	(168.8)	(159.1)	(91.1)	(1,633,346)	(1,553,846)	(845,238)

OPERATING EXPENSES AND EQUIPMENT

General expense				7,310,651	8,416,198	9,185,394
Expenditures reported in other budgets				(295,279)	(294,309)	(45,000)
Travel				1,492,995	1,958,853	2,007,452
Expenditures reported in other budgets				(43,983)	(76,540)	(43,000)
Facilities expense				7,579,971	8,604,422	9,015,636
Expenditures reported in other budgets				(148,019)	(210,400)	(120,000)
Contractual services				16,723,918	20,570,808	20,923,180
Equipment				505,228	243,045	293,645
Expenditures reported in other budgets				(326)	(-)	(1,820)
Client services expense				2,939,090	6,808,937	4,636,337
Expenditures reported in other budgets				(1,739,635)	(1,728,820)	(955,525)
Migrant master expense				2,730,042	2,437,558	2,752,162
Older American Project				523,772	444,609	445,054
Totals, Operating Expenses and Equipment				\$39,805,667	\$49,484,430	\$49,258,860
Expenditures reported in other budgets				(2,227,242)	(2,310,069)	(1,165,345)
Totals, Expenditures				\$133,634,856	\$155,695,851	\$155,206,013
Expenditures reported in other budgets				(3,860,588)	(3,863,915)	(2,010,583)
General fund				(964,936)	(761,583)	(390,917)
Federal fund				(2,895,652)	(3,102,332)	(1,619,666)
Reimbursements—Other	-302.8	-331	-331	-3,040,027	-3,690,240	-3,757,738
Net Expenditures, Support	9,259.4	9,890.5	9,559.1	\$130,594,829	\$152,005,611	\$151,448,275

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	STATE OPERATIONS—Continued			
2				
3				
4	Benefit payments -----	799,720,428	1,085,187,000	1,031,814,000
5	Additional benefit payments—extended duration -----	-21,787	-	-
6				
7	Totals, Benefit Payments -----	\$799,698,641	\$1,085,187,000	\$1,031,814,000
8				
9	Totals, Expenditures -----	\$930,293,470	\$1,237,192,611	\$1,183,262,275
10	General Fund -----	9,524,206	10,313,553	9,862,711
11	Federal funds -----	613,342,350	893,243,982	821,861,624
12	Unemployment Compensation Disability Fund -----	306,720,010	332,897,343	350,770,457
13	Department of Human Resources Development Contingent			
14	Fund -----	637,644	696,633	725,139
15	Unemployment Fund (Reed Act) -----	35,931	41,100	42,344
16	In-kind contributions -----	33,329	-	-
17				
18	APPROPRIATIONS			
19				
20	General Fund			
21				
22	Support, Item 231 (WIN Program) -----			5,717,742
23	Support, Item 232 (Service Center Program) -----			3,667,913
24	Support, Item 233 (Commission on Aging, Office of Economic			
25	Opportunity—Technical Assistance, Migrant Program) -----			103,862
26	Support, Item 234 (Migrant Master Plan) -----			373,194
27				
28	Totals, General Fund -----			\$9,862,711
29				
30	Department of Human Resources Development			
31	Contingent Fund			
32				
33	Support, Item 235 -----			\$649,159
34	Support, Item 232 (Support Manpower Development Fund—Allo-			
35	cation from Service Center Program Support) -----			75,980
36				
37	Totals, Department of Employment Contingent Fund -----			\$725,139
38				
39	Unemployment Fund			
40				
41	Support, Item 236 (Employment Security Financing—Reed Act) -----			\$42,344
42	Benefit payments, Section 1259, Unemployment Insurance Code -----			678,700,000
43				
44	Totals, Unemployment Fund -----			\$678,742,344
45				
46	Unemployment Compensation Disability Fund			
47				
48	Support, Item 237 -----			\$13,656,457
49	Benefit payments, Section 3012, Unemployment Insurance Code -----			337,114,000
50				
51	Totals, Unemployment Compensation Fund -----			\$350,770,457
52				
53	Federal Funds			
54				
55	Grants for administration -----			\$87,723,118
56				
57	Manpower Development Fund			
58				
59	Grants for administration -----			\$12,437,458
60	Manpower development training allowance -----			16,000,000
61				
62	Totals, Expenditures -----			\$28,437,458
63				
64	Other Federal Funds			
65				
66	Grants for WIN Program -----			\$22,870,968
67	Grants for Older American Act (Commission On Aging) -----			520,054
68	Grants for Office of Economic Opportunity (Technical Assistance			
69	and Migrant Program) -----			1,097,558
70	Grants for Migrant Master Plan -----			2,378,968
71	Grants for Service Center Program (Supportive Service) -----			133,500
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73	Totals, Other Federal Funds -----			\$27,001,048
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DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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Department of Human Resources Development—Capital Outlay

Recovery of capital expenditures—Contingent Fund	-\$165,608	-\$161,238	-\$155,003
Recovery of capital expenditures—Unemployment Fund (Reed Act)	-400,415	-391,254	-387,370
Totals, Recovery of Capital Expenditures	-\$566,023	-\$552,492	-\$542,373

GENERAL ANALYSIS

The Department of Human Resources Development did not include a capital outlay request in either the 1969-70 or the 1970-71 fiscal year budget and no new request is included in the 1971-72 fiscal year.

The department is pursuing the policy of recovering the cost of the construction of buildings and building additions through rental amortization which

results in restoring money to the funds from which the capital expenditures were made.

In 1971-72 the Department of Employment Contingent Fund will recover \$155,003 and the Unemployment Insurance Trust Fund \$387,370, for a total of \$542,373.

APPROPRIATIONS

Recovery of capital expenditures—(Department of Human Resources Development Contingent Fund)	-\$155,003
Recovery of capital expenditures—Unemployment Fund (Reed Act)	-387,370

ADVISORY COMMISSION ON INDIAN AFFAIRS

Headquarters Office at Sacramento

GENERAL ANALYSIS

The commission studied and recommended to the Governor and the Legislature changes necessary, including changes in legislation, to enable the Indians of California to improve their health, education and

general welfare, and cooperated with and secured the cooperation of other agencies, public and private, to attain that objective.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
Indian Affairs Program (<i>General Fund</i>)	1	-	-	\$14,260	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Results of the commission's program were reported to the 1970 session of the Legislature and in accordance with Chapter 2.5 (Sections 8110-8118), Division 1, Title 2, Government Code, the commission was terminated October 1, 1969.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Authorized positions -----	1	-	-	\$7,956	-	-
Staff benefits -----	-	-	-	838	-	-
Totals, Personal Services -----	1	-	-	\$8,794	-	-
OPERATING EXPENSES						
General expense -----				\$2,668	-	-
Travel -----				2,798	-	-
Totals, Operating Expenses -----				\$5,466	-	-
Totals, Expenditures (<i>General Fund</i>) -----				\$14,260	-	-

JOB DEVELOPMENT CORPORATION LAW EXECUTIVE BOARD

Headquarters Office at Sacramento

GENERAL ANALYSIS

The California Job Development Corporation Law Executive Board encourages the establishment of regional California job development corporations by the private sector in various economically disadvantaged areas of the state and has authorization to contract with private nonprofit consulting agencies qualified to provide management and technical assistance to small businesses in disadvantaged areas. The program is designed to stimulate economic development and

promote minority group entrepreneurship by channeling state and private funds into such areas. The executive board supervises the operations of regional Cal-Job corporations and the Small Business Assistance Program and controls the disbursement of funds from the State Loan Guarantee Fund to regional job development corporations for administrative costs and loan guarantees.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Approval and Supervision of California Job Development Corporation Law -----	1.3	1.4	1.4	\$127,961	\$380,884	\$317,261
II. Supervision of Small Business Assistance Program -----	0.3	0.6	0.6	56,990	104,838	84,053
TOTALS, PROGRAMS (General Fund)	1.6	2	2	\$184,951	\$485,722	\$401,314

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

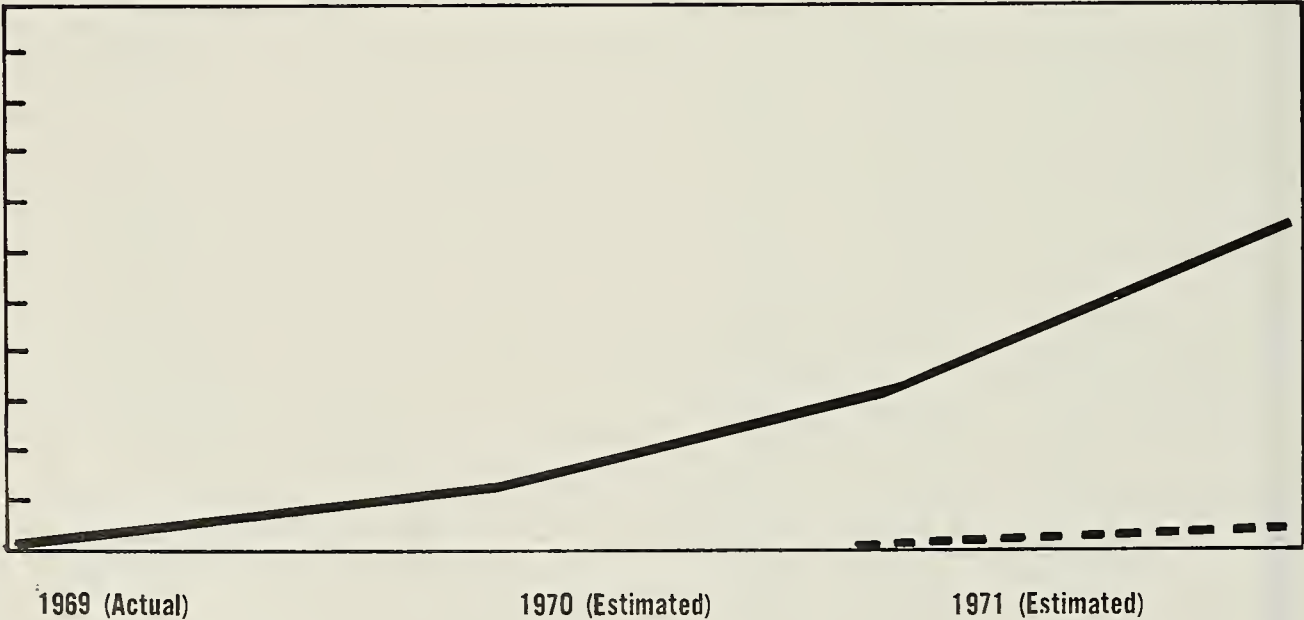
The Small Business Assistance Program was transferred from the State Superintendent of Banks to the California Job Development Corporation Law Executive Board on February 27, 1970. Due to the successful operation of this pilot program, legislation was enacted in the 1970 Regular Session to make it permanent. Thirty businesses have been successfully aided under this program in which 27 loans were approved

totaling \$1,082,316 and which employ 345 persons from economically disadvantaged areas. As a result of management and technical assistance all loans made under this program are in a current status.

The following is a summary of program activities through September 30, 1970. Regional California job development corporations were incorporated in Los Angeles and San Francisco. Nine banks and the Di

LOANS APPROVED (In millions) —————

POTENTIAL LOAN LOSSES - - - - -

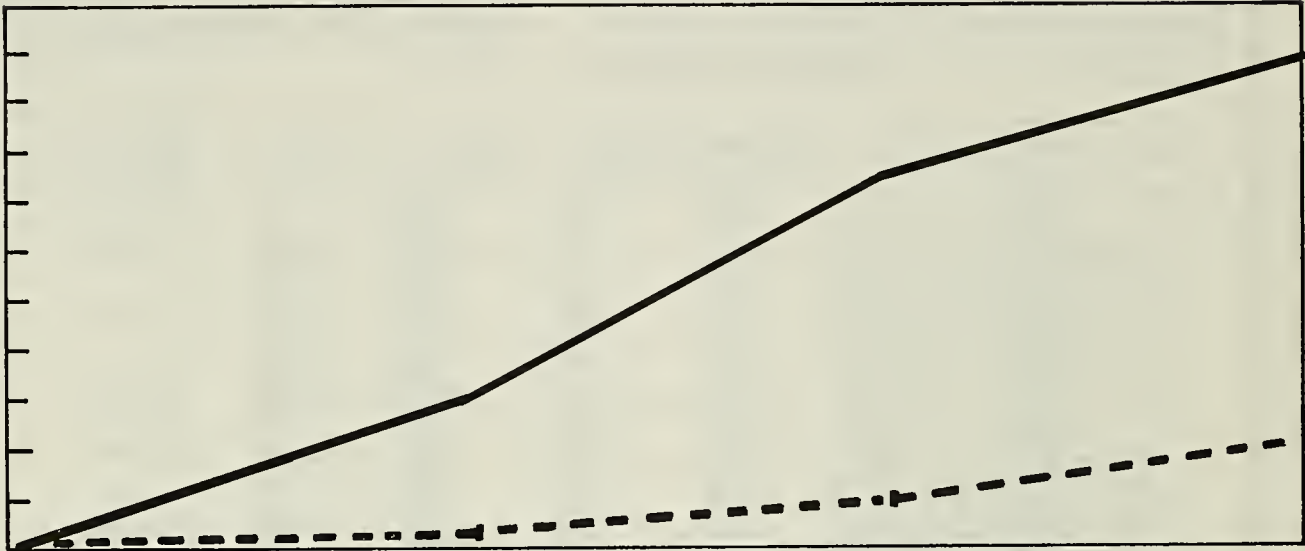


JOB DEVELOPMENT CORPORATION LAW EXECUTIVE BOARD—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

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NUMBER OF PERSONS EMPLOYED (In hundreds) —————
NUMBER OF BUSINESSES EXPANDED OR CREATED - - - -



1969 (Actual) 1970 (Estimated) 1971 (Estimated)

Giorgio Corporation as members have committed \$4.15 million to these corporations for lending activities. Sixty-five loans have been approved that total \$2,200,700 and employ 381 persons. A total of 92 loans have been approved under the Cal-Job and the Small Business Assistance Program that total \$3,283,016 and employ 726 persons from economically disadvantaged communities. The regional Cal-Job corporations are

currently absorbing their operating costs which totaled \$278,374 through June 30, 1970. The total loans approved by regional job development corporations increased to \$2.2 million from \$314,000 and plans are underway to establish a regional job development corporation in San Diego early in 1971.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	1.6	2	2	\$18,508	\$23,604	\$24,768
Staff benefits -----	-	-	-	2,155	2,844	3,096
Totals, Personal Services -----	1.6	2	2	\$20,663	\$26,448	\$27,864
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$6,689	\$6,600	\$7,320
Travel -----				5,312	6,600	6,650
Facilities expense -----				-	1,500	1,500
Contractual services -----				50,000	94,074	75,000
Transfer to State Job Development Loan Guarantee Fund -----				100,000	350,000	282,980
Equipment -----				2,287	500	-
Totals, Operating Expenses and Equipment -----				\$164,288	\$459,274	\$373,450
Totals, Expenditures (General Fund) -----				\$184,951	\$485,722	\$401,314
APPROPRIATION						
Prior Year Balance Available (General Fund) Chapter 1455, Statutes of 1968 -----						\$401,314

DEPARTMENT OF INDUSTRIAL RELATIONS

Headquarters Office at San Francisco

GENERAL ANALYSIS

The Department provides services and assistance to California wage earners designed to promote their welfare, improve their working conditions and advance their opportunities for profitable employment. Direct services to wage earners include enforcement of Workmen's Compensation Insurance Laws and adjudication of workmen's compensation insurance claims; promotion of apprenticeship and other on-the-job training; prevention and elimination of discrimination in employment and housing and enforcement

of all labor laws, in general. The California wage earner benefits, also, from the department's programs to assist negotiations between parties in industrial disputes when work stoppages are threatened; administer and enforce safety orders designed to protect workers from on-the-job injury or death; promulgate and administer labor standards for women and minors and collect, analyze and disseminate statistics which measure the condition of labor in the state.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Regulation of Workmen's Compensation Self-Insurance Plans...	9.5	4.4	4	\$148,169	\$82,593	\$90,080
II. Investigation, Mediation, Arbitration, and Adjustment of Labor-Management and Public Transit Agency Disputes	19.5	20.9	14.1	416,530	433,872	309,748
III. Preventing, Settling, Adjudicating and Administering Disputes Under Workmen's Compensation Laws	561.9	543.5	543.5	9,059,788	9,206,464	9,405,085
IV. The Prevention of Industrial Injuries and Deaths to California Workers	288.4	277.2	277.2	4,806,155	4,911,090	4,963,388
V. Promulgation and Enforcement of Labor Standards for Women and Minors and Enforcement of Equal Pay Law for Women and Men	91.8	82.8	73	1,389,157	1,393,332	1,235,241
VI. Enforcement of Laws Relating to Wage Payments, Conditions of Employment, Licensing and Adjudication	200.3	194.1	181.4	2,938,021	2,998,950	2,817,281
VII. Promotion, Development and Administration of Apprenticeship and Other On-the-Job Training	181.7	147.6	112.8	2,735,150	2,438,643	1,919,944
VIII. Labor Force Research and Data Dissemination	72.5	66	22.7	992,690	963,443	328,015
IX. The Prevention and Elimination of Discrimination in Employment and Housing	51.7	53.3	53.3	899,281	970,178	974,982
X. Distributed to Other Programs	89.6	90.6	82	(1,142,220)	(1,185,013)	(1,127,384)
XI. Service Center Program	-	-	-	8,257	11,500	121,142
	8	-	-	97,911	-	-
TOTALS, PROGRAMS	1,574.9	1,480.4	1,364	\$23,491,109	\$23,410,065	\$22,164,906
Reimbursements				-211,126	-513,912	-178,032
NET TOTALS, PROGRAMS				\$23,279,983	\$22,896,153	\$21,986,874
General Fund				22,634,150	22,538,946	21,702,374
Federal funds				645,833	357,207	284,500

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

I. Regulation of Workmen's Compensation Self-Insurance Plans

There has been a significant increase in the number of companies requesting a certificate of consent to self-insure. In the five-year period from fiscal year 1965-66 to fiscal year 1969-70, the average number of applications received were 41 per year. In fiscal year 1970-71, it is expected that the number of applica-

tions received will approach 100. Since self-insurers enjoy economic benefits, we believe this trend will continue. Workload associated with this increase has been accomplished more efficiently and with less staff by the use of a selective audit system and an educational program for self-insurance plan administrators.

II. Investigation, Mediation, Arbitration, and Adjustment of Labor-Management and Public Transit Agency Disputes

The 1971-72 fiscal year will see a continued rise in demands for conciliation services because of accelerated activities in the public employee sector, the large number of union agreements subject to renewal or re-opening, and accelerated activity in the field of

agriculture. By the deemphasis of less productive activities, management efficiencies, and increased productivity per conciliator, we will be able to reduce the staff of this program and provide for this workload.

DEPARTMENT OF INDUSTRIAL RELATIONS—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

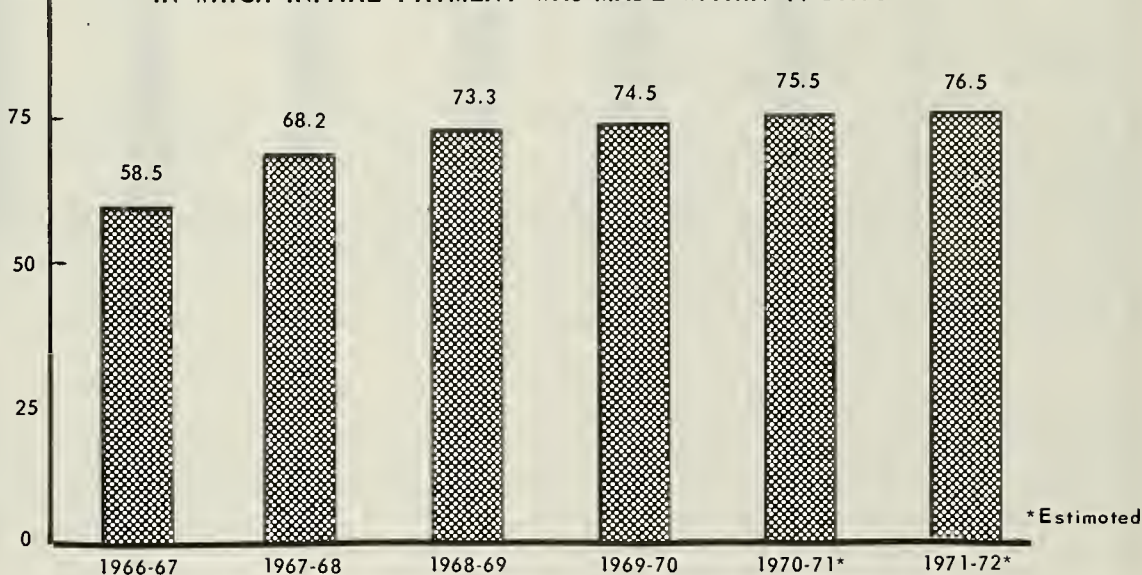
III. Preventing, Settling, Adjudicating and Administering Disputes Under Workmen's Compensation Laws

Program III. Preventing, Settling, Adjudicating and Administering
Disputes Under Workmen's Compensation Laws(Element A. Preventing, Settling, Adjudicating Disputes
Under Workmen's Compensation Laws)Dispositions per
monyear

CASE DISPOSITIONS PER MANYEAR

Program III. Preventing, Settling, Adjudicating and Administering
Disputes Under Workmen's Compensation Laws(Element B. Monitoring Promptness and Adequacy of
Benefit Notices and Payments)

Percent

PERCENT OF NONCONTESTED TEMPORARY DISABILITY CLAIMS
IN WHICH INITIAL PAYMENT WAS MADE WITHIN 14 DAYS

DEPARTMENT OF INDUSTRIAL RELATIONS—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

III. Preventing, Settling, Adjudicating and Adminstrating Disputes Under Workmen's Compensation Laws—Continued

In element A since fiscal year 1966-67, staff productivity has increased by 11 percent, measured in terms of contested case dispositions divided by the number of authorized positions. This is shown graphically in the accompanying chart.

In element B, since the element was implemented, and largely in response to it, employers and insurance companies have speeded up initial benefit pay-

ments to injured workers. At the outset, fiscal year 1966-67, 58.5 percent of injured workers were sent their first check within 14 days from the first day of disability. The latest figures information, (1969-70), shows that 74.5 percent were paid during the initial 14-day period (see accompanying chart). The percentage improvement is shown graphically in chart.

IV. The Prevention of Industrial Injuries and Deaths to California Workers

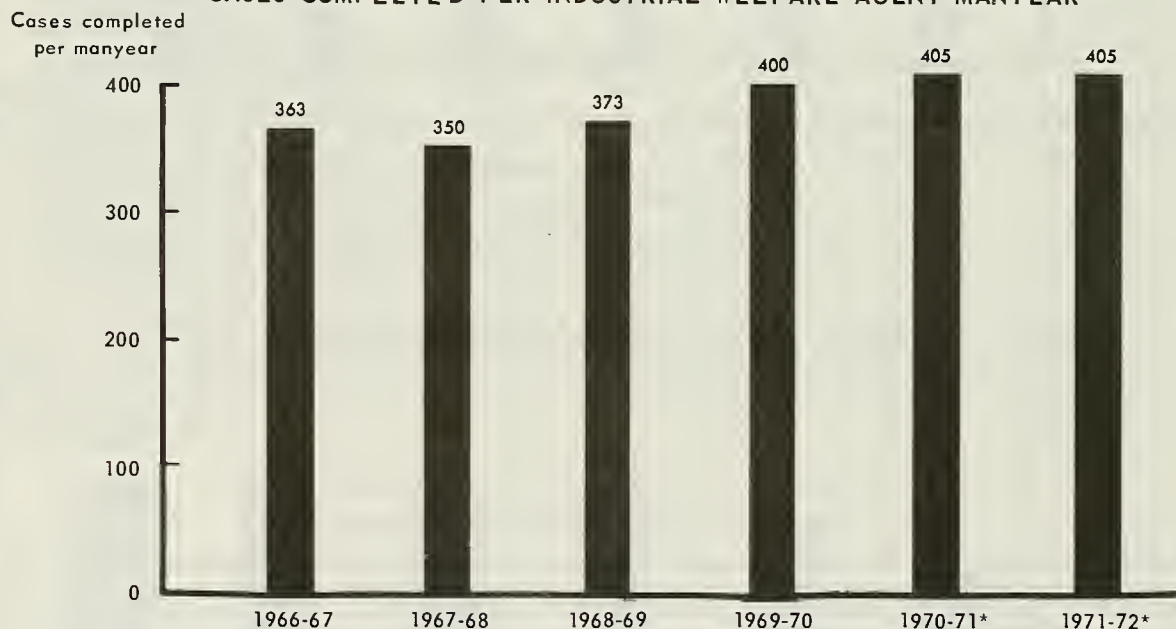
To improve the division's ability to regularly inspect a large percentage of high-risk employment places, a work-saving selective system is now being used. Those industrial plants and operations with injury costs well above average, obviously the ones most in need of a safety inspection, are placed at the top

of pending inspection lists and thus receive the most service. As a result, the division's inspections will steadily become more effective in terms of injuries prevented. Efforts are now being made to expand and refine this system to develop and make broader use of an inspection value index.

V. Promulgation and Enforcement of Labor Standards for Women and Minors and Enforcement of Equal Pay Law for Women and Men

Program V. Promulgation and Enforcement of Labor Standards for Women and Minors and Enforcement of Equal Pay Law for Women and Men
(Element B. Enforcement of Labor Standards for Women and Minors)

CASES COMPLETED PER INDUSTRIAL WELFARE AGENT MANYEAR



* Estimated

DEPARTMENT OF INDUSTRIAL RELATIONS—Continued

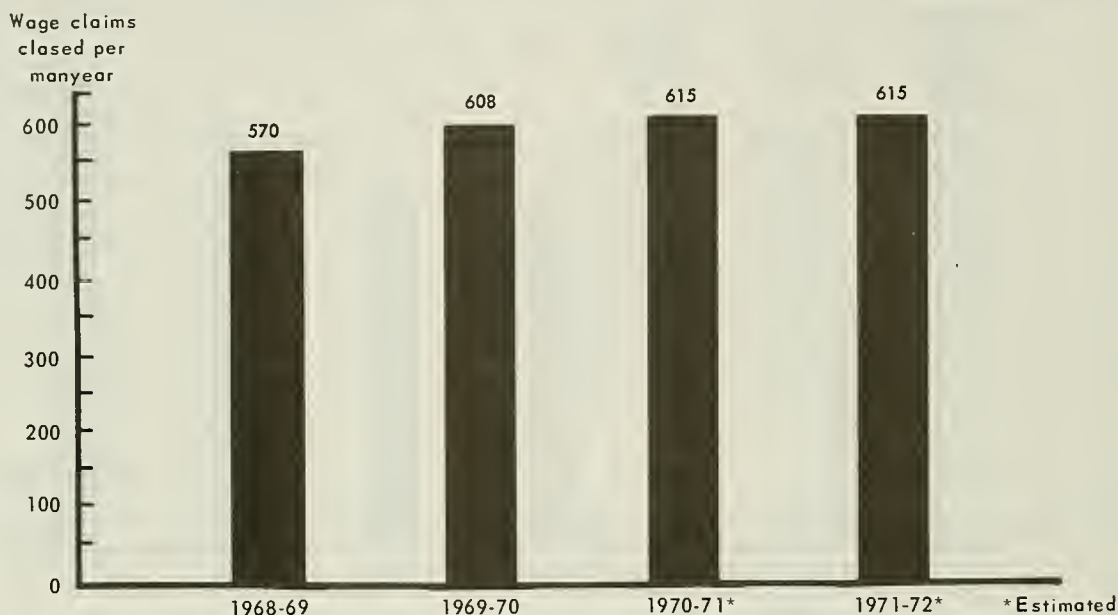
HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

VI. Enforcement of Laws Relating to Wage Payments, Conditions of Employment, Licensing and Adjudication

Program VI. Enforcement of Laws Relating to Wage Payments, Conditions of Employment, Licensing and Adjudication

(Element A. Determination of Wage Claims)

WAGE CLAIMS CLOSED PER DEPUTY LABOR COMMISSIONER MANYEAR



In accordance with the administration's policy to promote adequate sanitation facilities in the food crop growing and harvesting area, the Division of Labor Law Enforcement initiated a program of close cooperation with local health officers and other re-

lated agencies. Although the law gives the division secondary enforcement responsibility, enforcement efforts have quadrupled in the past fiscal year. The program will bring even better results so that the legal requirements will be the minimum accepted standard.

VII. Promotion, Development and Administration of Apprenticeship and Other Training-on-the-Job

Growth in Number of Apprentices and Trainees

As of June 30, 1970, there were over 27,700 active apprentices training in apprenticeship programs developed by the Division of Apprenticeship Standards, as opposed to 23,200 apprentices on June 30, 1969, an increase of 4,500 or 19.4 percent. The number of minority apprentices participating in apprenticeship increased from 16 percent to 17.7 percent over the same period of time. Major credit for this achievement is attributed to division enforcement of recent legislation

requiring one apprentice for every five journeymen on all state, county and municipal public works.

Manpower Development and Training Act—MDTA

The division's monitoring function of on-the-job training projects sponsored by the U.S. Department of Labor's MDTA and National Alliance of Businessmen-Job Opportunities in the Business Sector (NAB-JOBS) programs was transferred to the Department of Human Resources Development September 1, 1970.

VIII. The Collection, Compilation, Analysis and Dissemination of California Labor Statistics

Employment Hours and Earnings Statistics

Prior to July 1970 the program was supported in the Department of Industrial Relations by General Fund with partial reimbursement by the U.S. Department of Labor, Bureau of Labor Statistics. The manpower administration, also of the U.S. Department of

Labor, provided additional federal support in 1970-71 through the Department of Human Resources Development. Full federal support by the two federal agencies in 1971-72 and thereafter is to be provided for the program in the budget of the Department of Human Resources Development.

DEPARTMENT OF INDUSTRIAL RELATIONS—Continued

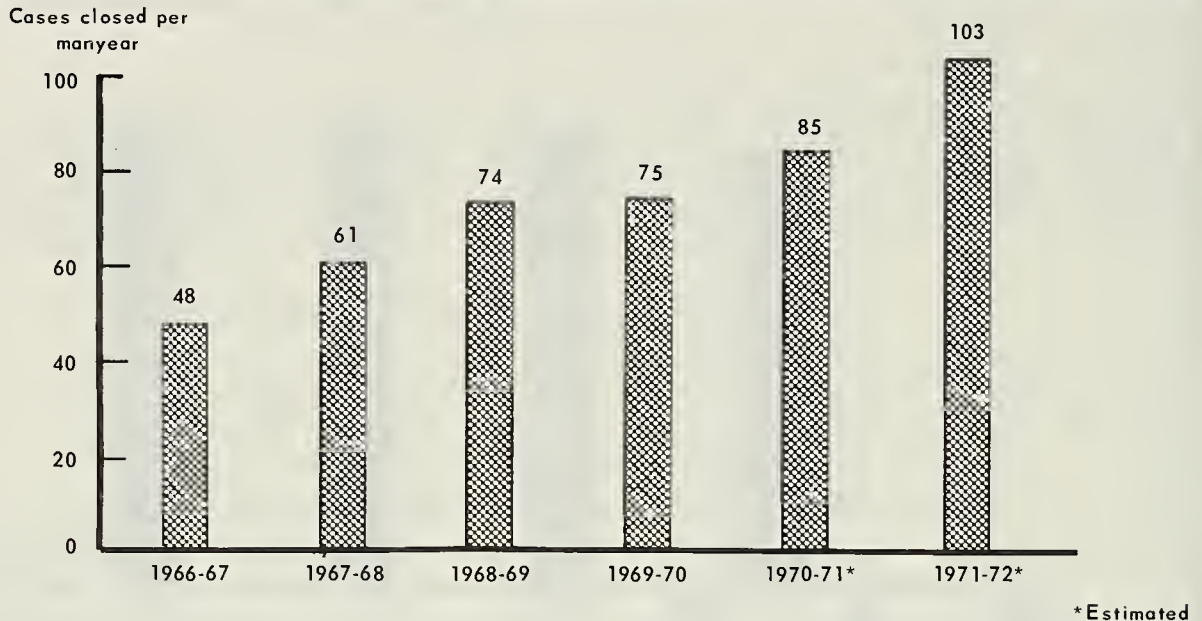
HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

IX. The Prevention and Elimination of Discrimination in Employment and Housing

Program IX. The Prevention and Elimination of Discrimination in Employment and Housing

(Elements A and B. Prevention and Elimination of Discrimination in Employment and Housing)

DISCRIMINATION CASES CLOSED PER FAIR EMPLOYMENT PRACTICES CONSULTANT MANYEAR



The shift in emphasis from enforcement to affirmative action has led to the creation of an affirmative action program that has achieved genuine stature. One illustration of its success is the establishment of Business-Industry Coordinating Council, that includes leaders of California's major industries and meets

quarterly to promote equal opportunity in employment.

New legislation, Chapter 1508, Statutes of 1970, which prohibits discrimination because of sex, will be administered under this program.

Departmental Data Processing

The data processing service center of the Department of Industrial Relations, operating within the framework of a State EDP Master Plan, is a member of the bay area data processing service center (BADPSC) located in Berkeley and managed by the

X. Administration

Department of Public Health. When the master plan is operational (scheduled for the end of 1970) the Department of Industrial Relations will be a user of the BADPSC-EDP computer system via remote job entry terminal.

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STATE OPERATIONS							
PERSONAL SERVICES							
Net salaries and wages -----	1574.9	1480.4	1364	\$17,924,663	\$17,927,187	\$16,746,841	
Staff benefits -----	-	-	-	1,925,417	2,006,694	1,909,594	
Totals, Personal Services -----	1574.9	1480.4	1364	\$19,850,080	\$19,933,881	\$18,656,435	
OPERATING EXPENSES AND EQUIPMENT							
General expense -----				\$1,046,794	\$851,544	\$892,209	
Travel -----				766,623	769,869	726,650	
Facilities expense -----				1,672,001	1,711,316	1,714,070	
Contractual services -----				99,642	143,455	160,902	
Equipment -----				55,969	-	14,640	
Totals, Operating Expenses and Equipment -----				\$3,641,029	\$3,476,184	\$3,508,471	
Totals, Expenditures -----				\$23,491,109	\$23,410,065	\$22,164,906	
Reimbursements -----				-211,126	-513,912	-178,032	
Net Expenditures -----				\$23,279,983	\$22,896,153	\$21,986,874	
General Fund -----				22,634,150	22,538,946	21,702,374	
Federal funds -----				645,833	357,207	284,500	
RECAPITULATION BY OBJECT				ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
APPROPRIATIONS							
State operations, Item 238 (General Fund) -----						\$21,702,374	
State operations (federal funds) -----						284,500	
REVENUES				ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
General Fund -----				\$726,893	\$736,094	\$742,200	

DEPARTMENT OF MENTAL HYGIENE

Headquarters Office at Sacramento

GENERAL ANALYSIS

The care and treatment of the mentally ill, with the exception of those judicially committed, is the responsibility of the counties under the Lanterman-Petris-Short Act. The counties are reimbursed for 90 percent of their costs. The resources and facilities of the Department of Mental Hygiene are provided under contractual arrangements with the local programs.

Beginning in fiscal year 1971-72, services for the mentally retarded will be by agreement with the re-

gional mental retardation centers.

The department also provides manpower training and development for mental health programs, both state and local. Mental health education, consultation, and program evaluation are conducted mainly at the local level. The department makes continuing efforts to coordinate all mental health resources whether federal, state, local or private.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
I. Mental Illness -----	\$213,107,449	\$245,886,394	\$249,650,723
II. Mental Retardation -----	90,655,572	98,943,264	97,252,040
III. Manpower Training and Development (distributed) -----	(7,798,947)	(8,082,306)	(5,205,544)
IV. Research and Evaluation (distributed) -----	(4,386,179)	(5,748,359)	(5,567,643)
V. Administration (distributed) -----	(8,936,655)	(10,876,024)	(10,523,932)
TOTALS, PROGRAMS -----	\$303,763,021	\$344,829,658	\$346,902,763
Reimbursements:			
Federal -----	-3,995,995	-6,920,941	-7,424,293
Other -----	-4,427,399	-3,128,085	-3,155,305
Local Programs -----	-25,377,985	-45,684,153	-37,510,058
Totals, Reimbursements -----	-\$33,801,379	-\$55,733,179	-\$48,089,656
Adjustments for fiscal year costs ^a -----	-221,073	7,957,239	13,898,258
NET TOTALS, PROGRAMS -----	\$269,740,569	\$297,053,718	\$312,711,365
General Fund -----	268,273,030	296,637,157	312,271,365
Federal funds -----	1,467,539	416,561	440,000
Personnel man-years -----	19,103.4	18,680.5	18,127.8

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

MENTAL ILLNESS

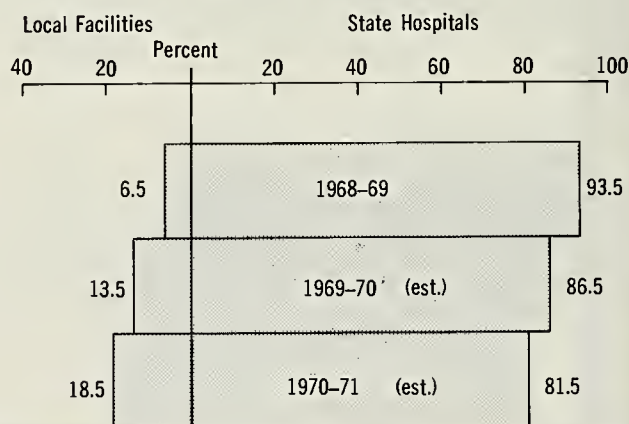
Local Assistance Program

The 1971-72 budget proposes an increase in General Fund expenditures over the 1970-71 budget of \$21,598,715. In part, this increased support to the community mental health programs reflects the increases in the cost of care, and the continuing requirement to revise the scheduling of payments to the local programs. This latter requires funds to cover 13 months of services in 1971-72. The increased support also reflects the implementation of AB 1640. This legislation requires that all precare/aftercare services performed on behalf of mentally ill individuals be funded through the Short-Doyle program under the same 90-10 cost sharing ratios as other services.

Nonpsychotic Alcoholics

Many alcoholic patients admitted to mental health programs are not psychotic and are in need of treatment that can be obtained from other sources. This

CHART I
PERCENT OF TOTAL INPATIENT DAYS
SPENT IN LOCAL FACILITIES AS AGAINST
STATE HOSPITALS FOR MENTALLY DISORDERED
1968-69 to 1970-71



^a This adjustment reflects the difference between county and state expenditures due to the state's reimbursement of county costs quarterly in arrears for 1970-71 and two months in arrears for 1971-72.

DEPARTMENT OF MENTAL HYGIENE—Continued

ASSISTANCE TO LOCAL AGENCIES FOR MENTAL HEALTH SERVICES FOR 1971-72 FISCAL YEAR ^a

	County	Inpatient	Outpatient	Partial hospitalization	Emergency	Consultation	Diagnosis	Rehabilitation	Precare-Aftercare	Training	Research and Evaluation	Totals
1	Alameda	\$1,976,235	\$1,615,347	\$292,290	\$597,106	\$12,526	-	\$1,128,595	\$181,339	\$104,986	\$56,668	\$5,965,092
2	Alameda	10,156	35,547	-	2,539	2,539	-	61,730	-	-	-	50,781
3	Berkeley City	335,258	335,258	-	4,356	18,868	\$4,356	6,091	2,769	-	-	490,186
4	Butte	302,933	63,050	20,880	7,460	8,279	-	-	-	-	6,230	423,303
5	Calaveras	6,968	53,037	-	-	4,469	-	-	-	-	-	81,974
6	Colusa	17,875	17,875	-	-	-	-	1,153,919	-	-	-	22,344
7	Contra Costa	2,277,825	898,941	132,000	280,000	122,600	-	-	-	-	20,891	4,886,176
8	Del Norte	16,232	12,870	10,006	2,878	3,914	5,763	7,377	1,948	-	-	53,611
9	El Dorado	83,111	81,635	7,868	18,934	38,359	-	36,292	-	61,279	8,606	245,890
10	Fresno	1,335,965	879,931	343,881	168,966	92,812	-	5,117	3,039	-	56,223	2,974,749
11	Glenn	103,479	33,746	3,679	480	8,637	1,750	60,154	24,992	6,978	-	159,936
12	Humboldt	255,761	81,575	85,416	3,246	8,817	7,032	-	20,200	-	-	540,949
13	Imperial	7,995	78,237	-	-	20,200	-	-	20,200	-	-	101,000
14	Inyo	423,118	216,080	136,538	61,517	12,564	3,426	-	3,426	-	1,714	114,214
15	Kern	180,925	132,809	72,477	10,969	186,052	246,068	49,514	60,017	73,520	48,013	1,500,417
16	Kings	-	39,447	-	-	784	3,526	1,175	23,506	-	8,618	435,573
17	Lake	-	-	-	-	-	-	-	-	-	-	39,447
18	Lassen	5,932	31,142	-	-	7,415	-	-	4,943	-	-	49,432
19	Los Angeles	15,904,864	10,862,762	778,559	3,188,388	2,113,234	74,148	3,114,239	481,966	222,446	333,608	37,074,274
20	Madera	81,179	130,191	66,291	-	-	-	-	-	-	-	277,661
21	Marin	375,570	549,403	584,291	94,609	369,620	18,156	14,348	10,968	170,051	204,984	2,392,000
22	Mariposa	14,196	13,104	-	-	-	-	-	-	-	-	27,300
23	Mendocino	-	88,933	96,069	-	14,747	7,517	-	21,075	6,232	14,743	153,247
24	Merced	315,231	155,385	-	-	-	-	-	-	-	-	566,685
25	Modoc	20,447	7,872	-	2,386	1,329	1,329	-	40,869	716	10,397	34,079
26	Monterey	432,467	227,300	-	21,627	56,176	51,306	-	81,614	17,493	4,427	857,635
27	Napa	-	103,526	-	-	62,269	-	68,974	-	-	-	320,810
28	Nevada	-	75,465	-	-	23,220	-	-	17,415	-	-	116,100
29	Orange	3,033,110	1,733,285	-	-	187,085	495,224	-	49,389	38,517	88,040	5,575,261
30	Placer	-	79,602	-	-	-	-	-	13,049	-	-	128,991
31	Plumas	27,684	26,553	-	6,117	8,156	8,156	10,195	-	2,039	-	101,949
32	Riverside	45,250	532,818	-	-	16,123	-	106,963	-	-	-	701,154
33	Sacramento	914,748	648,978	229,375	235,797	297,882	107,959	233,045	135,484	147,106	107,959	3,058,333
34	San Benito	-	23,011	-	-	23,000	-	-	-	-	-	46,011
35	San Bernardino	1,205,152	848,534	231,489	261,773	14,077	121,480	36,496	149,634	214,535	38,032	2,606,862
36	San Diego	4,246,752	1,048,402	431,035	114,813	14,813	-	105,762	112,188	214,535	6,573,316	6,573,316
37	San Francisco	3,152,158	3,417,556	916,932	738,549	1,085,525	450,308	120,735	103,332	454,659	437,256	10,877,010
38	San Joaquin	-	979,653	167,144	-	-	36,580	208,122	-	21,137	-	1,412,636
39	San Luis Obispo	501,998	234,841	142,008	62,823	47,187	48,146	71,333	40,339	26,065	178,296	1,174,740
40	San Mateo	2,227,963	1,801,888	1,069,588	273,495	941,591	152,316	413,422	162,553	136,286	7,357,398	7,357,398
41	Santa Clara	436,910	735,908	305,952	11,136	169,652	80,553	189,776	164,562	20,398	27,682	2,142,529
42	Santa Cruz	2,297,306	2,076,493	1,242,667	414,222	215,180	268,975	1,065,146	-	10,759	86,072	7,676,820
43	Santa Cruz	714,199	241,558	117,028	15,394	71,819	40,632	25,736	20,760	18,233	4,574	1,269,933
44	Shasta	236,986	61,222	43,695	-	43,695	8,723	15,193	-	-	-	409,514
45	Sierra	2,559	24,962	-	-	2,589	-	-	-	-	-	30,110
46	Siskiyou	190,773	61,104	-	4,700	4,700	4,700	6,912	-	3,594	-	276,483
47	Solano	297,800	297,800	202,390	-	48,680	-	7,000	-	16,986	25,176	708,764
48	Sonoma	453,395	248,406	99,212	24,381	16,223	11,900	41,729	24,569	2,064	15,848	937,736
49	Stanislaus	210,579	304,560	-	51,519	13,277	-	-	-	-	-	621,256
50	Tehama	138,672	63,851	-	-	60,598	9,957	6,163	21,195	3,319	37,347	256,434
51	Tri-City	300,678	300,678	243,324	10,341	56,142	-	14,000	8,556	10,906	952	672,438
52	Trinity	29,870	25,228	292,283	4,760	6,407	-	49,918	41,779	18,433	18,383	74,833
53	Tulare	735,075	224,286	-	51,871	61,259	-	-	-	-	-	1,493,287
54	Tuolumne	-	114,542	-	-	47,253	-	-	-	-	-	161,795
55	Ventura	1,033,281	536,054	429,730	83,913	115,185	28,145	179,033	40,133	101,634	58,896	2,606,004
56	Yolo	85,756	91,077	5,913	22,770	68,308	22,770	16,125	22,770	-	-	335,489
57	Yuba-Sutter	206,107	183,206	9,160	9,160	53,819	9,160	4,580	18,321	5,510	5,510	504,533
58	Program Year Costs for Local Programs...	\$46,256,272	\$33,847,104	\$8,809,174	\$6,751,608	\$7,072,853	\$2,330,079	\$8,634,909	\$2,208,788	\$1,929,494	\$1,912,203	\$11,752,484

^a These figures represent preliminary allocations and are subject to revision prior to final approval by the counties and the state.

DEPARTMENT OF MENTAL HYGIENE—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

budget proposes a reduction of \$1,000,000 in funds for the hospitals for the mentally ill for nonpsychotic alcoholics and the addition of \$500,000 to the local assistance budget for a joint federal-state-county rehabilitation program. Under this program the federal government contributes 80 percent, the state 15 percent and the counties 5 percent. The program will be operated through the Department of Rehabilitation and will exceed \$3 million from all sources. It is estimated that this program will reduce admissions to the hospitals by 2,000 during 1971-72.

Nursing Supervision

Inpatient population in the hospitals for the mentally ill was 36,006 on June 30, 1960, and 29,271 on June 30, 1965. It is estimated that this population will decrease to 10,450 on June 30, 1972. These significant reductions in patient population linked with improvements in treatment organization have permitted the consolidation of nursing areas and the proposed elimination of 90 nursing supervisor positions. It is estimated that this proposal will result in a savings of \$1,020,000.

HOSPITAL ¹	AT END OF FISCAL YEAR				
	Actual June 30, 1968	Actual June 30, 1969	Actual June 30, 1970	Estimated June 30, 1971	Estimated June 30, 1972
TRAINING AND RESEARCH INSTITUTES					
Langley Porter Neuropsychiatric Institute	47	64	61	60	60
Neuropsychiatric Institute, UCLA	60	58	55	55	55
Totals, Training and Research Institutes	107	122	116	115	115
HOSPITALS WITH MENTALLY DISORDERED PATIENTS					
Agnews State Hospital	1,950	1,472	1,150	920	810
Atascadero State Hospital	1,329	1,322	1,354	1,350	1,350
Camarillo State Hospital	2,748	2,388	2,155	1,870	1,670
DeWitt State Hospital	681	684	358	300	-
Mendocino State Hospital	1,538	1,308	1,115	1,020	940
Metropolitan State Hospital	2,443	2,032	1,614	1,450	1,280
Modesto State Hospital	1,356	1,087	-	closed	closed
Napa State Hospital	3,007	2,745	2,038	1,780	1,660
Patton State Hospital	2,050	1,687	1,604	1,400	1,390
Stockton State Hospital	1,729	1,391	1,283	1,140	1,350
Totals, Mentally Disordered Patients	18,831	16,116	12,671	11,230	10,450
Change from preceding year	-3,135	-2,715	-3,445	-1,441	-780
	(-14.3%)	(-14.4%)	(-21.4%)	(-11.4%)	(-6.9%)
HOSPITALS WITH MENTALLY RETARDED PATIENTS					
Agnews State Hospital	467	430	488	621	550
Camarillo State Hospital	482	482	587	645	630
DeWitt State Hospital	917	819	541	400	400
Napa State Hospital	-	50	204	416	400
Patton State Hospital	496	452	397	408	400
Fairview State Hospital	2,518	2,328	2,127	1,958	1,830
Pacific State Hospital	2,726	2,576	2,254	2,069	1,880
Porterville State Hospital	2,427	2,309	2,132	2,068	1,900
Sonoma State Hospital	3,322	3,099	2,753	2,374	2,249
Totals, Mentally Retarded Patients	13,355	12,545	11,483	10,959	10,239
Change from preceding year	65	-810	-1,062	-524	-730
	(0.5%)	(-6.1%)	(-8.5%)	(-4.6%)	(-6.5%)
Totals, All Hospitals	32,293	28,783	24,270	22,304	20,804
Change from preceding year	-3,097	-3,510	-4,513	-1,966	-1,500
	(-8.8%)	(-10.9%)	(-15.7%)	(-8.1%)	(-6.7%)

¹ Includes patients in the hospital and those on visits.

DEPARTMENT OF MENTAL HYGIENE—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

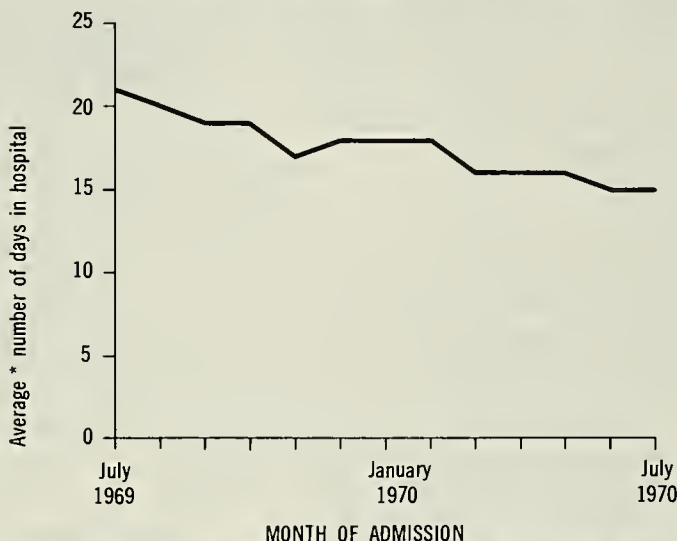
Hospital Support Personnel

Staffing of support activities in the hospitals has not been examined since 1967. It is proposed that certain positions be eliminated to reflect the lowered

support level required by smaller inpatient workload, deactivation of ward buildings and consolidation of dining rooms since that time. Savings are expected to total \$1.6 million annually.

CHART II
FOR MENTALLY DISORDERED ADMISSIONS TO STATE HOSPITALS:

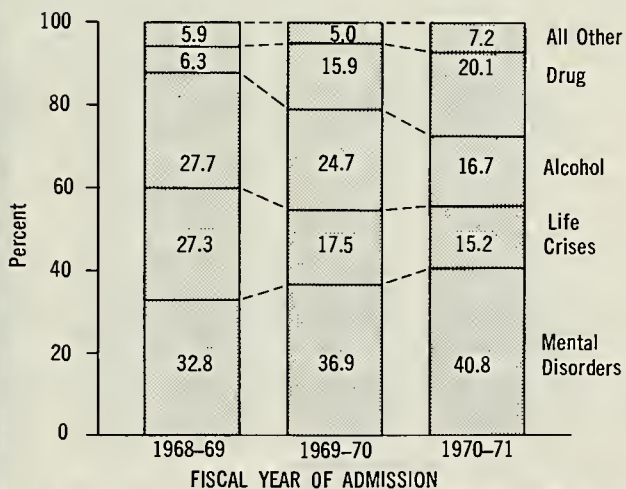
A STEADILY DECREASING LENGTH OF STAY



* Median number of days in hospital for admissions of a specified month.

CHART III

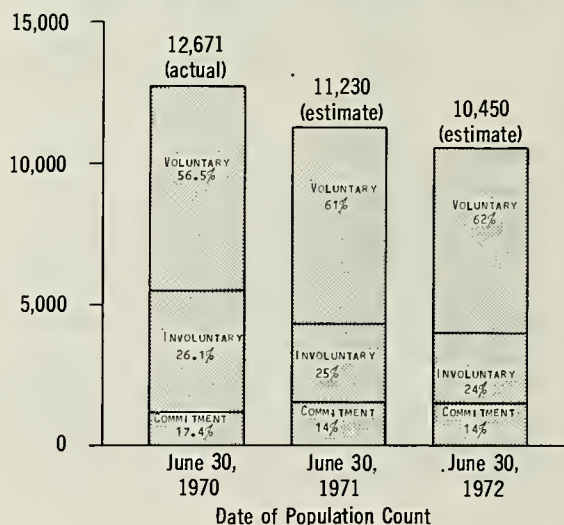
PERCENT OF MENTALLY DISORDERED ADMISSIONS TO STATE HOSPITALS BY DIAGNOSTIC CATEGORY



NOTE: Some of the change between 1968-69 and 1969-70 is attributable to a change in the diagnostic nomenclature on July 1, 1969.

CHART IV

MENTALLY DISORDERED INPATIENT¹ POPULATION DISTRIBUTION
According to Current Legal Classification
At California State Hospital At End of Fiscal Year



¹ Inpatient population includes patients in the hospital and those on visits.

DEPARTMENT OF MENTAL HYGIENE—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

DeWitt State Hospital

Inpatient population has been reduced at DeWitt State Hospital to the point where it is not economically feasible for the state to continue to operate the hospital. DeWitt is a former temporary military hospital similar to Modesto State Hospital which was closed in 1969-70. It is proposed to offer the hospital to Placer County to operate under the Short-Doyle Act and the Mental Retardation Services Act at a cost no greater than the cost of caring for patients in other state facilities. In the event Placer County does not choose to operate DeWitt the patients will be transferred to other state hospitals with available capacity and DeWitt closed. It is expected that an annual savings of \$3.5 million in overhead costs can be realized either by Placer County operating the hospital or closing it.

MENTAL RETARDATION

The 1971-72 budget proposes 160 new nursing staffing positions. This represents the third increment toward reaching a delivered 100 percent of the 1968 nursing standard. These new positions combined with the continuing decline in the mentally retarded population in state hospitals will allow the department to attain 91 percent of the standard by June 30, 1972.

Contributing to the reduction in the mentally retarded population in state hospitals is placement efforts of the Department of Social Welfare. It will continue to place mentally retarded individuals in out-of-hospital facilities during 1971-72. The goal is 1,400 such placements.

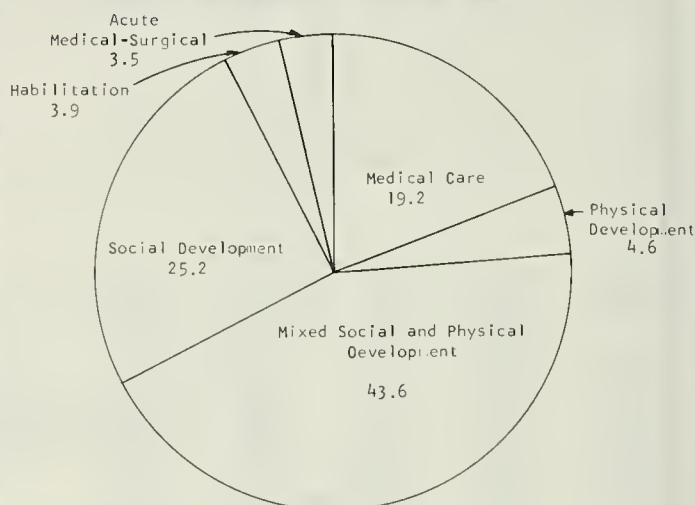
On July 1, 1971, the Lanterman Mental Retardation Services Act becomes effective and the regional mental retardation centers will become solely responsible for determining appropriate treatment situations including inpatient services at state hospitals.

Hospital Support Personnel

As in the case of the hospitals for the mentally ill staffing of support services in the hospitals for the mentally retarded has been reviewed and it is proposed that a reduction be made to reflect the lowered support levels required by smaller inpatient workload, deactivation of ward buildings and consolidation of dining rooms since the last review.

CHART V

PRIMARY PROGRAM NEED
IN PERCENT OF PATIENTS SURVEYED¹
FOR MENTALLY RETARDED PATIENTS
IN CALIFORNIA STATE HOSPITALS



¹From July 1970 census of Mentally Retarded Patients in California State Hospitals. Percentages calculated for 11,084 responses to the question.

MENTAL RETARDATION LEAVE POPULATION DATA

Hospital	Family Care			Other Leave Patients		
	Actual Fiscal Year	Estimate Fiscal Year	Fiscal Year	Actual Fiscal Year	Estimate Fiscal Year	Fiscal Year
Agnews State Hospital	14	31	37	267	419	373
Camarillo State Hospital	41	58	53	135	194	161
DeWitt State Hospital	194	184	171	196	183	176
Napa State Hospital	1	8	6	21	75	81
Patton State Hospital	50	53	46	105	145	138
Subtotals	300	334	313	724	1,016	929
Fairview State Hospital	452	450	357	734	927	823
Pacific State Hospital	912	931	732	943	1,195	1,032
Porterville State Hospital	420	393	287	556	858	776
Sonoma State Hospital	507	475	367	662	837	784
Subtotals	2,291	2,249	1,743	2,895	3,817	3,415
Grand Totals	2,591	2,583	2,056	3,619	4,833	4,344

Effective July 1, 1971, the department will refer patients to the regional mental retardation centers.

DEPARTMENT OF MENTAL HYGIENE—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

ADMINISTRATION

While not directly reflecting increases or decreases in patient population administrative overhead should follow in some measure the continuing decline in patient population. This budget proposes the reduction of 27.5 positions in the headquarters office.

MANPOWER TRAINING AND DEVELOPMENT

The Department of Mental Hygiene has conducted extensive manpower training and development programs to furnish trained mental health professionals and technicians for the department and local programs. In addition, upgrading of departmental employees has been an important function of the training unit. In 1970-71 the total expenditures are expected to reach \$7 million.

As a result of the continuing decline in patient populations, and the corresponding decrease in mental health workers within department facilities it is possible to reduce expenditures for such activities.

Psychiatric technician training will continue in order to provide the necessary trained nursing services in the hospitals for the mentally ill and mentally retarded. It may be possible to develop a training program with the Human Resources Development

Department through the federally financed Work Incentive Program (WIN) that may allow the re-allocation of funds to other types of training needed.

The continuing decline in patient population has also eased the historical demand for mental health professionals. Consequently, reductions are planned in medical and psychiatric residencies, hospital staff development, student stipends, and special training projects. The improved capability of local programs to attract mental health professionals also makes possible proposed reductions in community manpower development. Total savings from these actions are estimated at \$2,000,000 for 1971-72.

RESEARCH

Since 1957, the department has maintained a research effort into the causes and cures of mental retardation and mental illness. The request for the budget year is \$542,153 which reflects a reduction of research administration and the elimination of research teams at Atascadero, Mendocino, Metropolitan, Napa, Porterville, and Stockton State Hospitals, and at the Training Center for Community Psychiatry in Los Angeles. Remaining research activities will be conducted at Pacific, Sonoma, Camarillo, Agnews, Fairview and Patton State Hospitals.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	19,103.4	18,680.5	18,127.8	\$169,930,026	\$174,739,819	\$170,899,069
Staff benefits -----	-	-	-	20,630,696	22,705,566	22,298,312
Totals, Personal Services -----	19,103.4	18,680.5	18,127.8	\$190,560,722	\$197,445,385	\$193,197,381
OPERATING EXPENSES AND EQUIPMENT						
General Expense -----				\$3,858,511	\$3,584,661	\$3,644,878
Travel -----				316,145	349,469	402,115
Care and welfare -----				5,598,109	5,572,050	5,392,273
Support and subsistence -----				11,491,988	11,621,385	10,882,706
Plant operation -----				6,039,276	6,296,902	6,519,352
Farm operation -----				148,492	124,927	125,378
Communication and other -----				1,278,642	1,328,542	1,391,724
Equipment -----				1,488,910	1,422,482	1,670,179
Totals, Operating Expenses and Equipment -----				\$30,220,073	\$30,300,418	\$30,028,605
DeWitt—transfer savings -----				-	-	-3,500,000
Special projects activities -----				3,995,995	6,920,941	7,424,293
Totals, Expenditures -----				\$224,776,790	\$234,666,744	\$227,150,279
Reimbursements:						
Federal -----				-3,995,995	-6,920,941	-7,424,293
Other -----				-4,427,399	-3,128,085	-3,155,305
Net Expenditures, State Operations -----				\$216,353,396	\$224,617,718	\$216,570,681
General Fund -----				214,885,857	224,201,157	216,130,681
Federal funds -----				1,467,539	416,561	440,000
Less expenditures included in local assistance appropriation for mental health service -----				-96,970,271	-92,903,612	-90,797,643
Net Expenditures, State Operations -----				\$119,383,125	\$131,714,106	\$125,773,038
General Fund -----				117,915,586	131,297,545	125,333,038
Federal funds -----				1,467,539	416,561	440,000

DEPARTMENT OF MENTAL HYGIENE—Continued

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LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
LOCAL ASSISTANCE							
	Local Mental Health Program -----				\$150,357,444	\$165,339,612	\$186,938,327
	Grand Totals, Expenditures -----				\$269,740,569	\$297,053,718	\$312,711,365
	General Fund -----				268,273,030	296,637,157	312,271,365
	Federal funds -----				1,467,539	416,561	440,000
APPROPRIATIONS							
	Support, Item 239, Administration (General Fund) -----						\$6,603,700
	Support, Item 240, Research and Training (General Fund) -----						4,704,393
	Support, Item 241, Neuropsychiatric Institutes (General Fund) -----						13,530,757
	Support, Item 242, State Programs for the Mentally Ill (General Fund) -----						16,510,315
	Support, Item 243, Programs for the Mentally Retarded (General Fund) -----						83,983,873
	Local Assistance, Item 244 (General Fund) -----						186,938,327
	State Operations, grants (Federal funds) -----						440,000
REVENUES					ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	General Fund -----				\$81,610,236	\$79,533,463	\$81,232,763
SUMMARY—CAPITAL OUTLAY					ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Department of Mental Hygiene—Capital Outlay							
	Major Projects -----				\$1,200,538	\$111,400	-
	Minor Projects -----				1,359,214	502,904	-
	Totals, Expenditures -----				\$2,559,752	\$614,304	-
	General Fund -----				2,559,752	502,904	-
	State Construction Program Fund -----				-	111,400	-

GENERAL ANALYSIS

The Department of Mental Hygiene operates state facilities for the care and treatment of the mentally ill and the mentally retarded. On June 30, 1970, the capacity was 27,628 throughout the state. These facilities include: five hospitals exclusively for the mentally ill, five hospitals for the mentally ill and mentally retarded, four hospitals for the mentally retarded only, and two training and research institutes.

One hospital for the mentally ill, Modesto, was closed June 30, 1970, reducing the rated capacity by 1,539. The neuropsychiatric institutes are operated in conjunction with the University of California. They were established for teaching and research to provide the clinical settings for research and the training programs of the department and the University's medical schools.

DEPARTMENT OF PUBLIC HEALTH

Headquarters Office at Berkeley

GENERAL ANALYSIS

The Department of Public Health is concerned with the health protection of California's population through control or elimination of environmental hazards, assurance of high quality health services, development of facilities and manpower to meet health needs, and comprehensive health planning to set priorities for effective and efficient use of health resources.

Through its four major programs, the department identifies new or changing health problems, develops improved techniques for prevention or control of disease and environmental health problems, and emphasizes community and individual participation in developing and implementing health programs and services.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Environmental Health and Consumer Protection Services -----	510.2	520.1	514.9	\$8,010,354	\$8,443,531	\$8,544,549
II. Preventive Medical Services -----	415.6	416.2	379.6	29,777,351	32,312,048	47,162,788
III. Community Health Services -----	270.6	297.4	310.1	30,266,401	43,437,651	43,912,225
IV. Comprehensive Health Planning -----	17.3	32.6	32.6	688,109	1,003,927	1,006,255
V. Management and Planning -----	119.9	122.3	123.3	1,407,296	1,599,420	1,889,770
Administrative—Direct Services to Other Programs -----	(321.1)	(326.4)	(318.5)	(4,360,311)	(4,558,285)	(4,622,908)
Administrative—Distribution of Indirect Charges -----	(252.2)	(264.7)	(265.3)	(4,322,534)	(4,364,492)	(4,359,997)
Special Projects -----	-	-	-	7,321,434	7,111,983	8,161,000
TOTALS, PROGRAMS -----	1,333.6	1,388.6	1,360.5	\$77,470,945	\$93,908,560	\$110,676,587
Reimbursements -----				-2,935,085	-5,388,766	-7,779,365
Special Projects:						
Federal funds -----				-7,029,333	-6,839,977	-7,819,988
State special projects -----				-199,044	-163,442	-240,792
Privately financed foundations -----				-93,057	-108,564	-100,220
NET TOTALS, PROGRAMS -----				\$67,214,426	\$81,407,811	\$94,736,222
General Fund -----				37,464,952	39,005,213	50,689,949
Motor Vehicle Fund -----				64,795	54,800	71,913
Health Facility Construction Loan Insurance Fund -----				28,496	81,835	81,835
Federal funds -----				28,905,180	40,240,963	40,240,963
Family Repayments:						
Mental retardation services -----				-	1,095,000	1,371,562
Crippled children services -----				751,003	930,000	2,280,000

I. ENVIRONMENTAL HEALTH AND CONSUMER PROTECTION SERVICES

The Environmental Health and Consumer Protection Services Program carries out regulatory and supportive roles with regard to many environmental health hazards over which the individual has little or no direct control, through the elements of food and drug, radiological health, water sanitation, vector control and solid waste management, and occupational health and environmental epidemiology. The program emphasizes preventive measures to detect and deal with potentially harmful materials and products before they are in general public use, and the development of improved monitoring systems to detect environmental and consumer health problems before they are out of control.

This year, a new Bureau of Sanitarian Services was consolidated as part of the program office to better utilize sanitarian resources in the department, in review and evaluation of state and local agency environmental sanitation programs.

A new program in the radiological health element involves certification of all X-ray technologists in the

state, and approval of schools teaching X-ray technology. Eleven positions were added in the current year to carry out this fee-supported function.

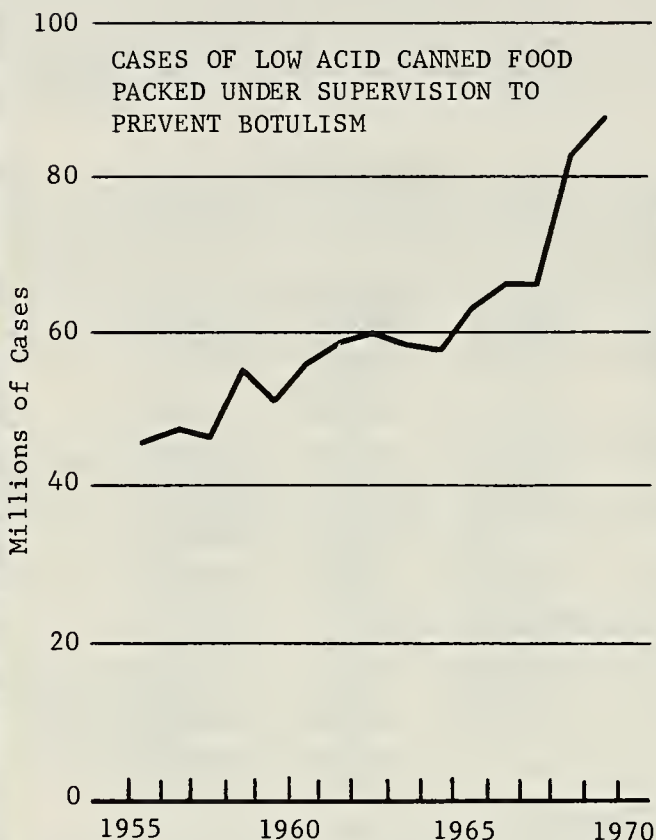
The vector control and solid waste management element will increase its emphasis on development and utilization of control methods for mosquitoes and other vectors which rely on biological and other naturalistic approaches rather than insecticides. Seven positions are proposed for this purpose in the budget year, to be supported under interagency reimbursement agreement with the State Department of Agriculture.

Level of service in the Occupational Health and Environmental Epidemiology Element will be reduced by 12.5 positions. It is expected that the decrease of effort at the state level will be partially offset by increased community awareness of health problems brought about by their involvement in comprehensive health planning activities and further offset by recent federal legislation in the field of occupational health.

DEPARTMENT OF PUBLIC HEALTH—Continued

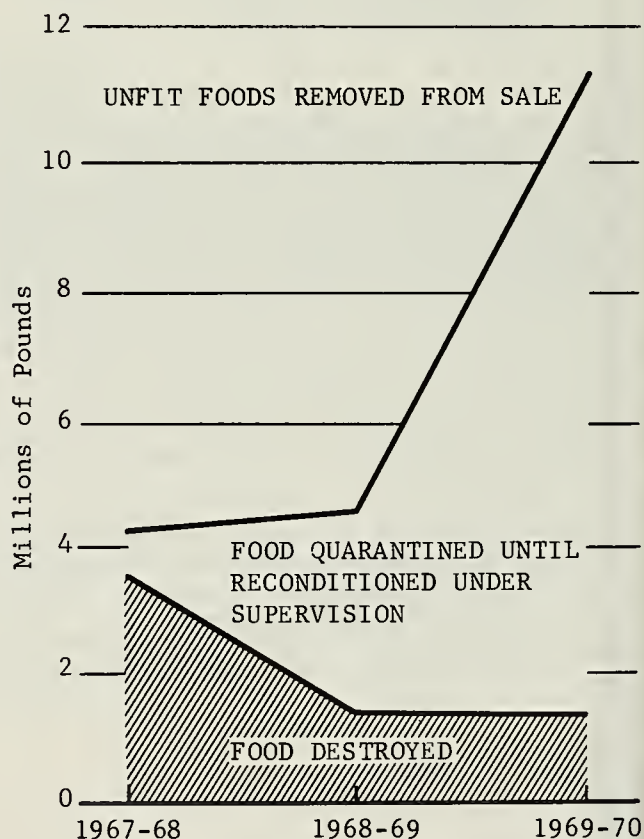
I. ENVIRONMENTAL HEALTH AND CONSUMER PROTECTION SERVICES—Continued

FOOD PROTECTION ACTIVITIES



Each year an increasing number of cases of low acid canned food is packed under supervision of the department's cannery control program. The objective is to maintain a zero-risk level of botulism.

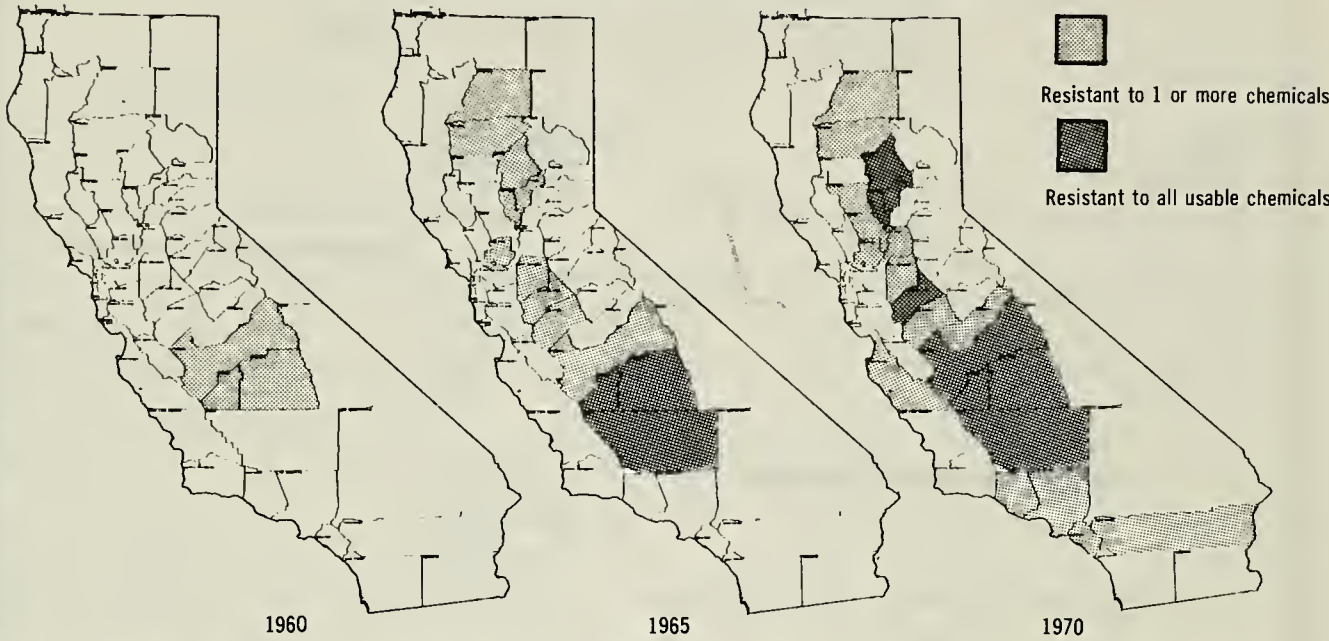
Other departmental activities in the area of food protection include the removal from sale of unfit foods by quarantine or destruction to insure that the health of the public is protected.



DEPARTMENT OF PUBLIC HEALTH—Continued

I. ENVIRONMENTAL HEALTH AND CONSUMER PROTECTION SERVICES—Continued

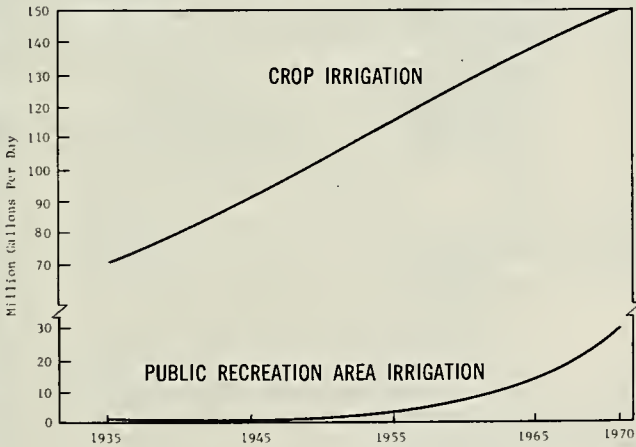
ZONES OF INSECTICIDE-RESISTANT MOSQUITOES
HAVE BEEN INCREASING CRITICALLY OVER THE PAST 10 YEARS



More and more areas of the state are infested with insecticide-resistant mosquitoes. Pesticides can no longer be depended upon as the primary means of mosquito control. It is urgent that control emphasis be shifted toward environmental management methods, co-

ordinated with biological and chemical control measures, in order to prevent widespread disease and discomfort to the public. Under Chapter 1571, Statutes of 1970, increasing progress can be made toward this objective.

THE GROWING SHORTAGE OF WATER INCREASES THE IMPORTANCE
OF WASTE WATER RECLAMATION AND RE-USE



With increasing emphasis on re-use of reclaimed waste water, several factors intensify the need for public health protection:

- In recent years there has been a significant shift to uses where there is more public exposure.
- The equipment and processes have deficiencies in reliability and depend on effective operation.
- The public exposed to re-used water is losing its fear for the potential hazard of reclaimed water.
- In a single year, more than 12 million man-days are spent in public recreation areas (e.g., golf courses, parks, lakes) irrigated with reclaimed water.

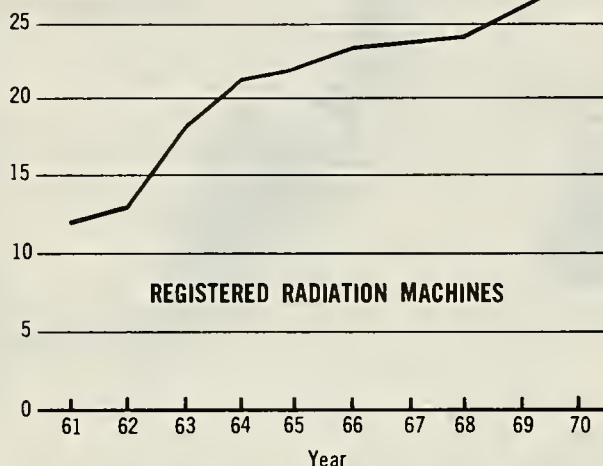
DEPARTMENT OF PUBLIC HEALTH—Continued

I. ENVIRONMENTAL HEALTH AND CONSUMER PROTECTION SERVICES—Continued

INCREASING USE OF RADIATION 1961-70

Surveillance over expanding use of radiation must be maintained, to assure that population exposure is held to the lowest practicable amount.

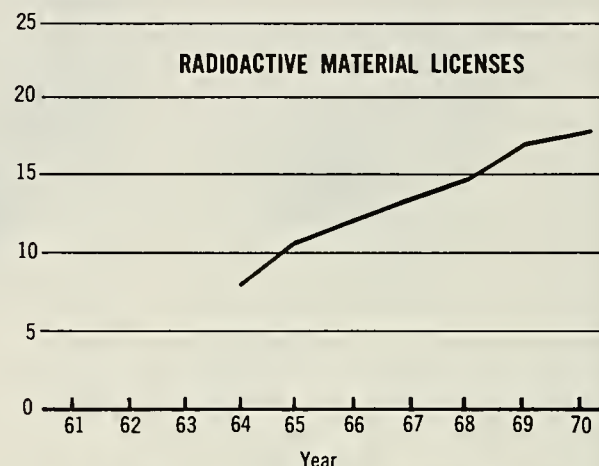
Number
(in thousands)



REGISTERED RADIATION MACHINES

A significant portion of the population receives medical or dental x-ray exposure each year. The use of radiation producing machines must be controlled to keep this exposure at a minimum.

Number
(in hundreds)



RADIOACTIVE MATERIAL LICENSES

Use of radioactive materials must be regulated to prevent mishandling or misuse which could cause injury or illness to individuals or the general public.

II. PREVENTIVE MEDICAL SERVICES

Preventive Medical Services is the focal point within the department for planning and action, in cooperation with the California medical and public health community, to improve personal health services in California. It develops and implements methods to control disease and provides personal health service programs through the following elements and a wide variety of related special projects: adult health and chronic disease, infectious disease, crippled children, maternal and child health, mental retardation, and nutrition. A seventh element, emergency medical services, was created this year by realignment of existing resources to coordinate orderly development of a statewide emergency medical care system.

The program administers state subventions for crippled children, mental retardation services and tuberculosis sanatoria; federal grants-in-aid for crippled children and maternal and child health; and purchases other services through the regional dialysis program and such "pass through" special projects as immunization, venereal disease, farm workers' and Indian health services, and others.

The regional dialysis program, part of adult health and chronic disease, was expanded by current year legislation and appropriations authorizing up to two additional treatment centers, and three home dialysis

training centers. These funds will be used entirely at the community level. Funds for continued operation of these new centers are provided in the budget year. In the same element, there will be a General Fund savings in tumor registry activities in the budget year, involving deletion of 12 positions.

The budget for the infectious disease element will reflect a reduction of three positions, made possible because of increasingly effective control of tuberculosis.

The program for assistance to counties for the care of crippled children will be continued at approximately the same level as in the current year with an increase in family repayments.

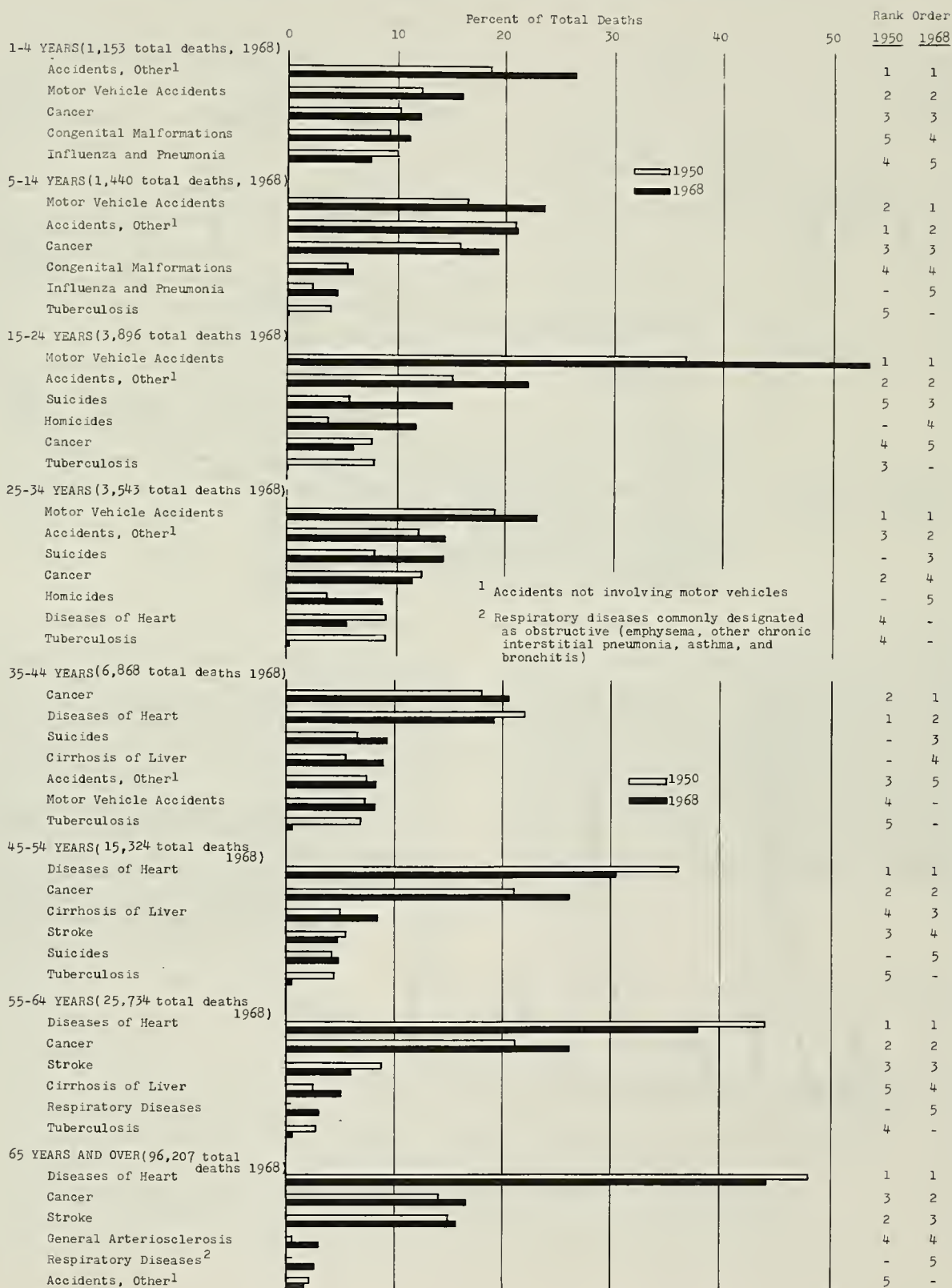
The budget reflects General Fund and family repayment increases in the mental retardation subvention in the budget year. These funds will be used primarily in the nine regional centers to support services, especially those purchased from local private as well as public agencies, for individuals and families added to the caseload as all nine centers reach full operating capacity.

General Fund support of the malnutrition element will end in the budget year, involving deletion of six positions. Nutritionist skills will continue to be applied in other elements under federal funds.

DEPARTMENT OF PUBLIC HEALTH—Continued

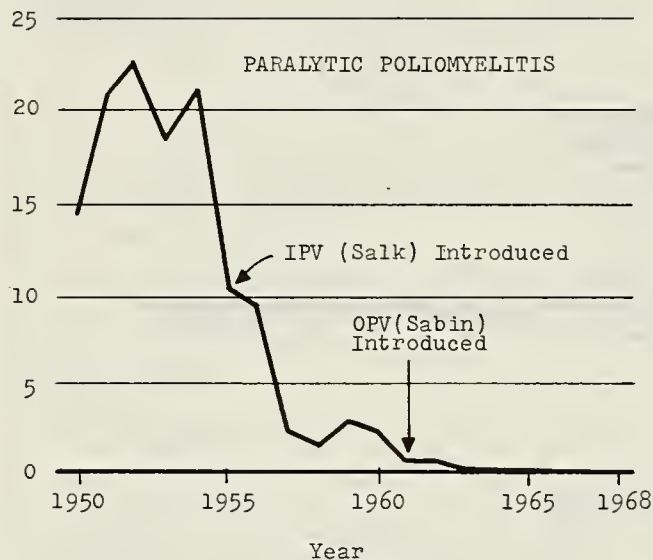
II. PREVENTIVE MEDICAL SERVICES—Continued

THE FIVE LEADING CAUSES OF DEATH IN VARIOUS AGE GROUPS
HAVE SIGNIFICANTLY CHANGED BETWEEN 1950 AND 1968

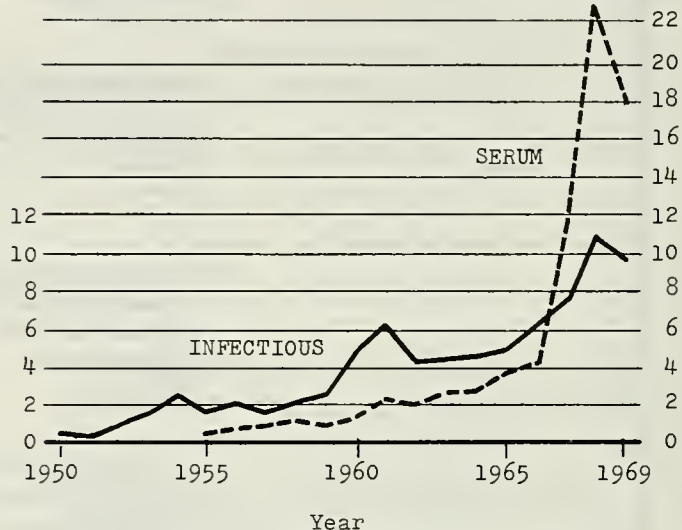


DEPARTMENT OF PUBLIC HEALTH—Continued

II. PREVENTIVE MEDICAL SERVICES—Continued

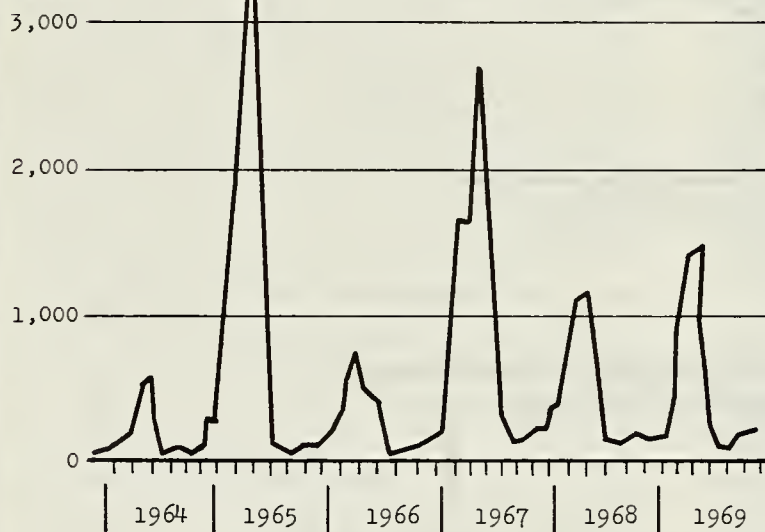
SOME COMMUNICABLE DISEASES IN CALIFORNIA
ARE DECREASING WHILE OTHERS ARE INCREASINGRate Per
100,000

INFECTIOUS AND SERUM HEPATITIS

Infectious Hepatitis
Cases (in thousands)Serum Hepatitis
Cases (in thousands)

Cases

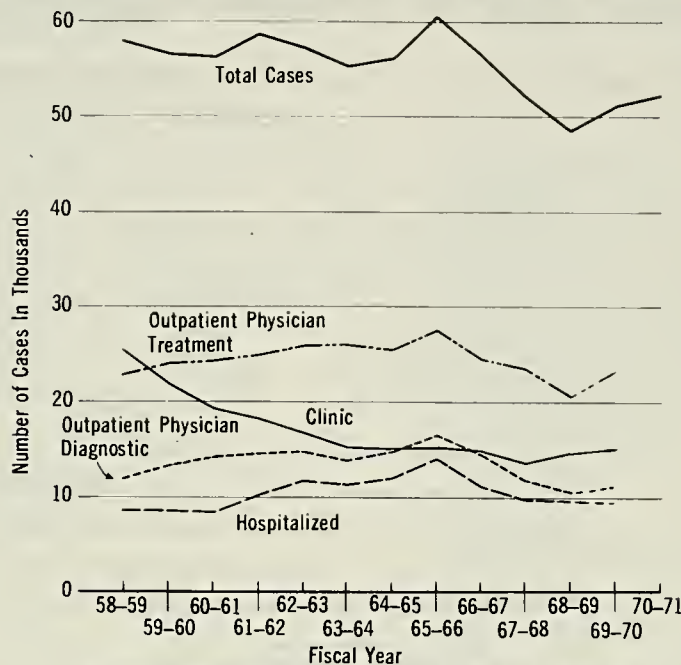
RUBELLA CASES



Combined federal and state funds are being used in an intensive statewide immunization campaign to prevent rubella and the resulting congenital malformations which are now the fourth leading cause of death in children aged 1-14.

DEPARTMENT OF PUBLIC HEALTH—Continued

II. PREVENTIVE MEDICAL SERVICES—Continued
CRIPPLED CHILDREN¹ HAVE RECEIVED
THESE MEDICAL CARE SERVICES FROM 1958-59 THROUGH 1970-71



¹ Excludes cases funded entirely by Medi-Cal (about 20 percent). Crippled Children Services caseload decreased from 1965-66 through 1967-68 for two reasons—about 20 percent of children served became eligible under Medi-Cal, and program emphasis shifted towards care of children with more complicated conditions.

III. COMMUNITY HEALTH SERVICES

Community Health Services has two major functions: (1) assistance to local public health services, through which both financial aid and specialized administrative, nursing, social work and health education assistance for local program development are provided in relation to departmental standards for program and performance, and (2) health facilities planning, construction, licensing and certification.

The program administers state and federal subventions and grants-in-aid which (1) assist counties with and without local health departments, (2) extend comprehensive health services programs under Section 314(d) of the Public Health Services Act as amended,

and (3) finance hospital construction in California. The state's mortgage loan insurance program, which in 1969-70 replaced the state subvention for hospital construction, has not been fully implemented pending court decision on its constitutionality.

Increasing workload under reimbursement agreements with the Social Security Administration and the State Department of Health Care Services for certification and related consultative activities requires the current year addition of 21 positions in health facilities licensing and certification and allied elements.

DEPARTMENT OF PUBLIC HEALTH—Continued

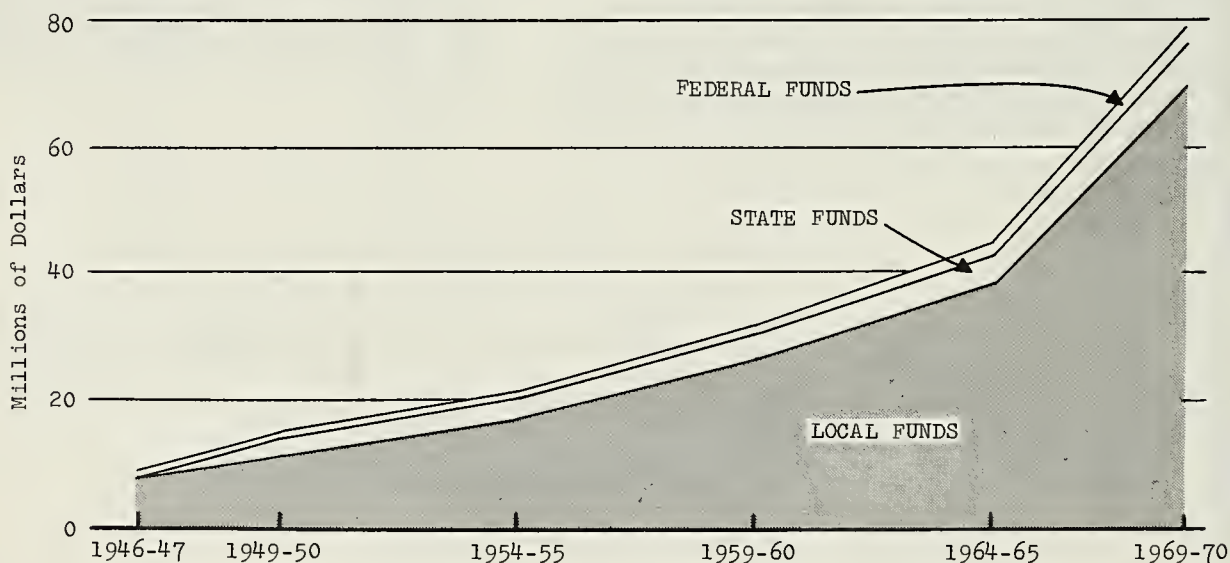
III. COMMUNITY HEALTH SERVICES—Continued

LOCAL PUBLIC HEALTH PROGRAMS HAVE MARKEDLY CHANGED
IN SIZE AND SCOPE AS REFLECTED IN STAFFING PATTERNS

PERCENT CHANGE IN LOCAL HEALTH DEPARTMENT BUDGETED POSITIONS, 1965-1970

SUPPORT FOR BASIC PUBLIC HEALTH SERVICES
IS FROM A COMBINATION OF FEDERAL, STATE AND LOCAL FUNDS

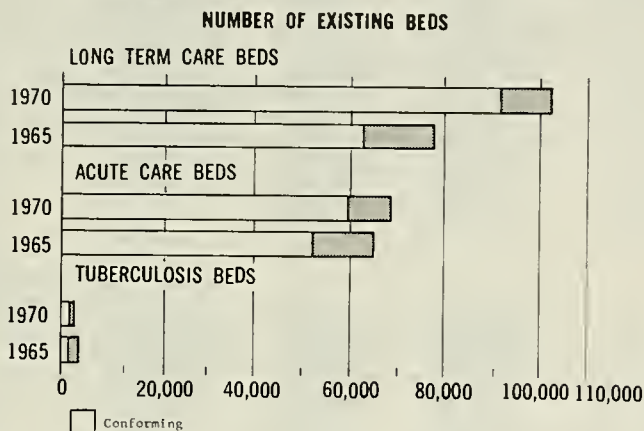
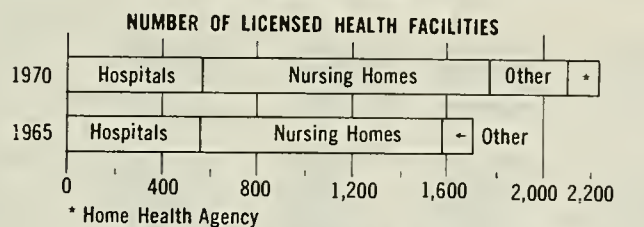
EXPENDITURES FOR PUBLIC HEALTH SERVICES BY ORGANIZED LOCAL HEALTH DEPARTMENTS



DEPARTMENT OF PUBLIC HEALTH—Continued

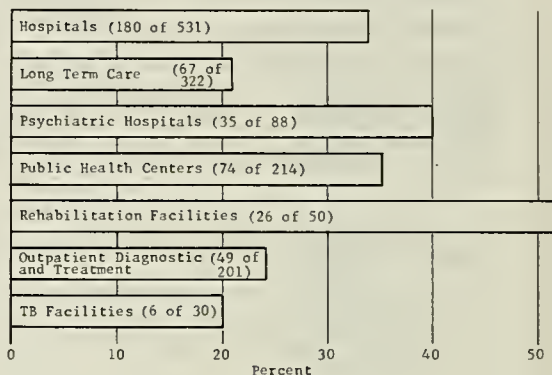
III. COMMUNITY HEALTH SERVICES—Continued

THE NUMBER AND TYPES OF HEALTH FACILITIES LICENSED REFLECT POPULATION GROWTH AND CHANGING PATTERNS OF MEDICAL CARE

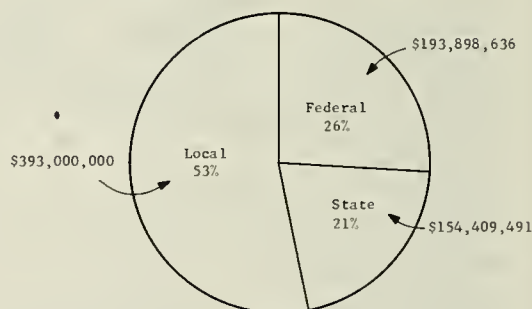


HEALTH FACILITIES CONSTRUCTED UNDER THE FEDERAL-STATE GRANT-IN-AID PROGRAM ARE A SIGNIFICANT PART OF CALIFORNIA'S PRESENT HEALTH RESOURCES

HEALTH FACILITIES CONSTRUCTED UNDER FEDERAL-STATE GRANT-IN-AID PROGRAM 1947-70 AS PERCENT OF 1970 FACILITIES



TOTAL FUNDS = \$741,308,127, 1947-70



IV. COMPREHENSIVE HEALTH PLANNING

All the above programs work closely with the federally funded Office of Comprehensive Health Planning, which prepares the State Plan for Health for approval by the Health Planning Council, reviews and makes recommendations on health project grant applications in California, and assists local and area-wide comprehensive health planning agencies to carry out their functions effectively.

Plan development and health project review re-

quires widescale involvement of consumers and providers of health services, at local and areawide agency levels. The Community Health Services Program, in cooperation with the office, has responsibility for implementing 1970 legislation which will stabilize the funding of areawide health planning agencies beginning July 1, 1971. Five positions are proposed for the budget year to carry out this function, supported by reimbursement fees.

V. MANAGEMENT AND PLANNING

Management and planning provides staff support to all other programs through the elements of administration, special services, and laboratory services. It administers the state's vital statistics registration program, and the Bay Area Data Processing Center which serves a number of other state departments as well as Public Health. Health manpower development

is a special concern of the special services element. Administration has initiated a Program Accounting and Management Information System providing both programmatic and fiscal data needed by line managers. This will be implemented by the end of the current year, and will be compatible with the State Budget Data System.

DEPARTMENT OF PUBLIC HEALTH—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2	PERSONAL SERVICES						
3	Net salaries and wages -----	1,280.9	1,266.5	1,234.5	\$13,616,973	\$14,025,011	\$13,969,176
4	Staff benefits -----				1,461,883	1,573,839	1,643,497
5							
6	Totals, Personal Services -----	1,280.9	1,266.5	1,234.5	\$15,078,856	\$15,598,850	\$15,612,673
7	OPERATING EXPENSES AND EQUIPMENT						
8	General expense -----				\$1,809,570	\$1,902,204	\$1,985,656
9	Travel -----				727,300	730,452	741,559
10	Facilities expense -----				895,734	879,473	890,691
11	Contractual services -----				3,184,080	2,430,890	2,670,730
12	Equipment -----				189,216	48,654	171,923
13							
14	Totals, Operating Expenses and Equipment -----				\$6,805,900	\$5,991,673	\$6,460,559
15							
16	Totals, Expenditures -----				\$21,884,756	\$21,590,523	\$22,073,232
17	Reimbursements -----				-2,840,876	-4,011,590	-6,400,895
18							
19	Totals, Expenditures, State Operations -----				\$19,043,880	\$17,578,933	\$15,672,337
20	General Fund -----				12,662,034	12,686,409	10,762,700
21	Motor Vehicle Fund -----				64,795	54,800	71,913
22	Health Facility Construction Loan Fund -----				28,496	81,835	81,835
23	Federal funds -----				6,288,555	4,755,889	4,755,889
24							
25	LOCAL ASSISTANCE						
26	Assistance to counties for care of						
27	crippled children -----	-	60	60	\$15,758,535	\$16,678,312	\$17,090,312
28	General Fund -----				13,590,621	13,618,400	12,680,400
29	Federal funds -----				1,416,911	2,129,912	2,129,912
30	Family repayments -----				751,003	930,000	2,280,000
31	Assistance to counties for tuberculosis sanatoria (General Fund)				2,149,207	1,021,424	1,021,424
32	Assistance to counties without local						
33	health departments -----	51	49.9	53	781,889	884,287	910,633
34	General Fund -----				664,050	753,881	780,227
35	Federal funds -----				117,839	130,406	130,406
36	Assistance to local health departments -----				8,103,850	9,888,432	9,688,432
37	General Fund -----				4,743,172	4,997,545	4,797,545
38	Federal funds -----				3,360,678	4,890,887	4,890,887
39	Assistance to local agencies for mental						
40	retardation services -----	1.7	12.2	13	3,705,365	6,973,057	22,019,215
41	General Fund -----				3,705,365	5,878,057	20,647,653
42	Family repayments -----				-	1,095,000	1,371,562
43	Assistance to local and nonprofit agencies for hospital construction				17,671,700	28,383,366	28,333,869
44	General Fund -----				-49,497	49,497	-
45	Federal funds -----				17,721,197	28,333,869	28,333,869
46							
47	Totals, Expenditures, Local						
48	Assistance -----	52.7	122.1	126	\$48,170,546	\$63,828,878	\$79,063,885
49	General Fund -----				24,802,918	26,318,804	39,927,249
50	Federal funds -----				22,616,625	35,485,074	35,485,074
51	Family Repayments:						
52	Crippled children services -----				751,003	930,000	2,280,000
53	Mental retardation services -----				-	1,095,000	1,371,562
54							
55	GRAND TOTALS, ALL ITEMS ----	1333.6	1388.6	1360.5	\$67,214,426	\$81,407,811	\$94,736,222
56	Support:						
57	General Fund -----				12,662,034	12,686,409	10,762,700
58	Motor Vehicle Fund -----				64,795	54,800	71,913
59	Health Facility Construction Loan Fund -----				28,496	81,835	81,835
60	Federal funds -----				6,288,555	4,755,889	4,755,889
61	Local Assistance:						
62	General Fund -----				24,802,918	26,318,804	39,927,249
63	Federal funds -----				22,616,625	35,485,074	35,485,074
64	Family Repayments:						
65	Crippled children services -----				751,003	930,000	2,280,000
66	Mental retardation services -----				-	1,095,000	1,371,562
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DEPARTMENT OF PUBLIC HEALTH—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
1	APPROPRIATIONS				
2					
3					
4	Support, Item 245 (General Fund) -----			\$10,049,852	
5	Regional dialysis centers, Item 246 (General Fund) -----			595,248	
6	Support, Item 247 (Motor Vehicle Fund) -----			71,913	
7	Assistance to counties for care of crippled children, Item 248				
8	(General Fund) -----			12,680,400	
9	Assistance to counties for tuberculosis sanatoria, Item 249 (Gen-				
10	eral Fund) -----			1,021,424	
11	Assistance to counties without local health departments, Item				
12	250 (General Fund) -----			780,227	
13	Assistance to local health departments, Item 251 (General Fund) -----			4,797,545	
14	Assistance to local agencies for mental retardation services, Item				
15	252 (General Fund) -----			20,647,653	
16	Chapter 1499, Statutes of 1970 (Regional Dialysis Centers) -----			117,600	
17	Continuing appropriation prescribed by Section 436.26 of the				
18	Health and Safety Code (Health Facility Construction Loan				
19	Insurance Fund) -----			81,835	
20	State Operation, Grants (Federal funds) -----			4,755,889	
21	Local Assistance, Grants (Federal funds) -----			35,485,074	
22	Local Assistance, Family repayments -----			3,651,562	
23					
24					
25					
26	REVENUES ^a	ACTUAL	ESTIMATED	PROPOSED	
27		1969-70	1970-71	1971-72	
28					
29	Regulatory licenses -----	\$1,306,870	\$1,396,907	-	
30	Miscellaneous income -----	13,071	3,300	-	
31					
32	Totals (General Fund) -----	\$1,319,941	\$1,400,207	-	
33					
34	^a Revenues are reflected as reimbursements in the budget year.				
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DEPARTMENT OF REHABILITATION

GENERAL ANALYSIS

The department assists and encourages handicapped individuals to prepare for and engage in gainful employment to the extent of their capabilities and subsequently to increase their social and economic well-being.

To assure maximum efficient utilization of state rehabilitation services, the department promotes the coordination of services of all public and private

agencies serving the handicapped by cooperating and integrating available rehabilitation sources and by strengthening and developing services where needed.

The department also administers by contractual agreement with the Social Security Administration the disability provisions of the Social Security Act for California applicants.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Vocational Rehabilitation of the Disabled	1,384.3	1,554.1	1,240.6	\$36,334,674	\$40,690,332	\$45,322,516
II. Development of Community Resources	19.9	30	30.7	2,973,631	2,171,377	1,230,211
III. Disability Determination	296.2	363.5	363.5	5,491,759	6,799,110	7,166,923
IV. Administration:						
Distributed to other programs	163.4	165.2	162.2	(1,578,034)	(2,128,594)	(2,402,672)
Distributed to trust funds and other departments	-	-	-	580,026	316,870	111,870
TOTALS, PROGRAMS	1,863.8	2,112.8	1,797	\$45,380,090	\$49,977,689	\$53,831,520
Reimbursements				-1,204,060	-1,411,249	-1,866,956
NET TOTALS, PROGRAMS				\$44,176,030	\$48,566,440	\$51,964,564
General Fund				7,228,371	6,901,733	7,118,098
Industries for the Blind Manufacturing Fund				964,021	1,335,332	724,871
Federal funds ^a				35,983,638	40,329,375	44,121,595
Expenditures for the Department of Rehabilitation portion of the following programs are included in the above departmental programs:						
Mental Retardation Program	(137.2)	(144.8)	(144.8)	(\$3,497,591)	(\$3,781,939)	(\$3,781,939)
Alcoholism Program	(67.1)	(69.5)	(89.3)	(\$4,265,734)	(\$4,701,028)	(\$7,321,444)
Drug Abuse Program	(12)	(12)	(12)	(\$360,000)	(\$360,000)	(\$360,000)
Service Center Program	(137.8)	(159.1)	(91.1)	(\$3,499,124)	(\$3,877,915)	(\$2,024,583)
Job Training, Development and Placement Program	(8.4)	(8.4)	(8.4)	(\$4,238,033)	(\$4,238,033)	(\$4,238,033)

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The following workload changes are proposed in order to maximize the use of federal funds and conserve General Fund resources.

1. The General Fund for Industrial Rehabilitation Services will be reduced \$224,000 in 1971-72. This reduction is made possible by plans to transfer the operation to privately sponsored groups who will maintain and improve the service program. Grants of federal funds may be used as necessary to assist the private sector to assume this responsibility.

2. Increase the emphasis on helping the public offender in order to achieve the objective of successful rehabilitation and assist the individual in adjusting to being a more useful citizen.

3. To the extent that additional federal funds are available, the department will increase community

services to alcoholics through programs as provided under Welfare and Institutions Code, Chapter 8, Sections 19800-19813 (McAteer Act). It is intended that \$500,000 of state funds will be available from Department of Mental Hygiene for possible federal matching up to \$2,000,000 under the Vocational Rehabilitation Act. The services to be provided in the community under this proposal will make it possible to reduce the level of service required for alcoholics in state mental hospitals.

4. The rehabilitation element of the service center program has been reduced, since it has been found that the high counselor/client ratio originally established for this element was not required for effective rehabilitative services.

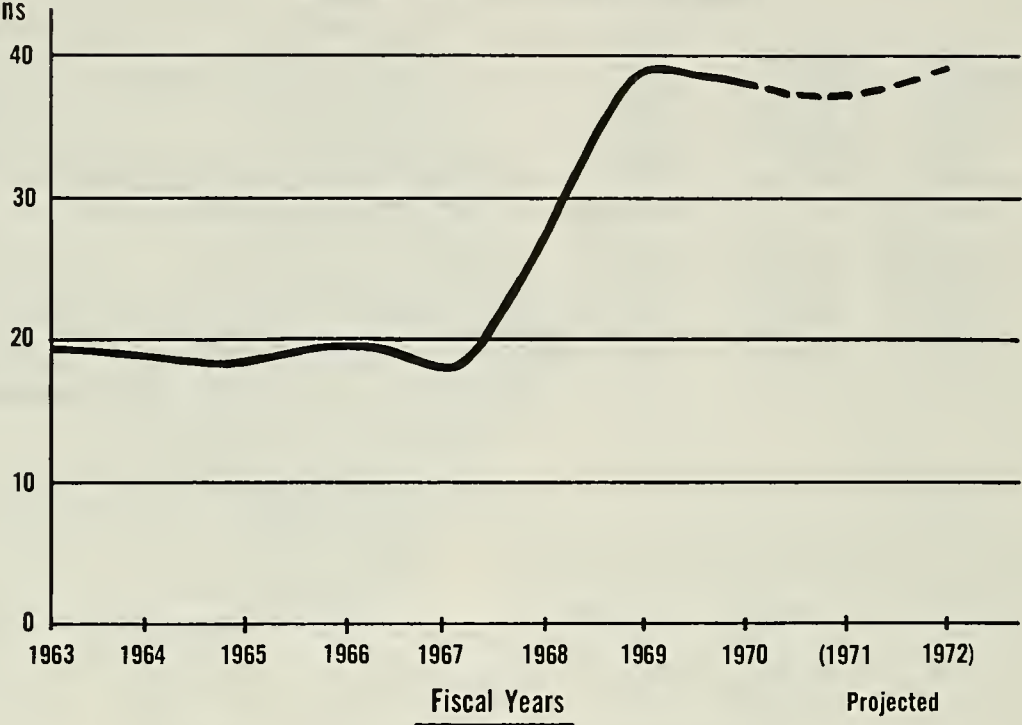
^a Neither receipts nor expenditures of federal funds are included in the overall budget totals.

DEPARTMENT OF REHABILITATION—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

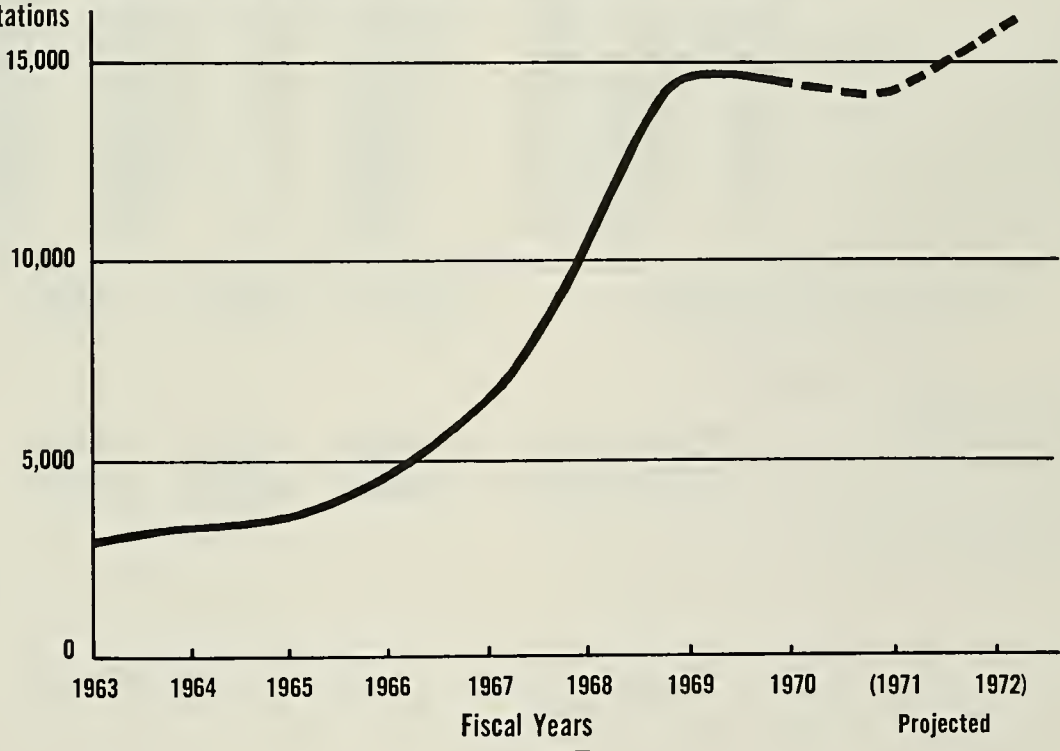
Average Rehabilitations per Counselor Man-Year
for Fiscal Years 1962-63 through 1971-72

Average
Rehabilitations



Rehabilitations per Year for Fiscal Years 1962-63 through 1971-72

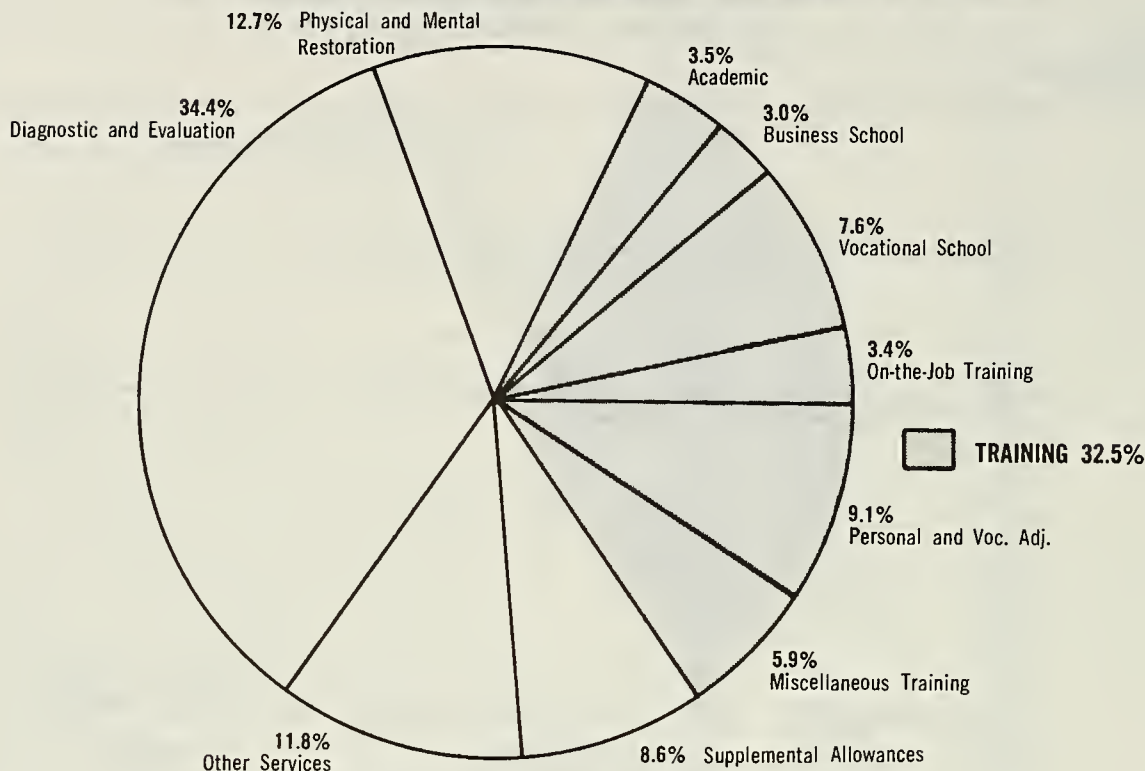
Rehabilitations



DEPARTMENT OF REHABILITATION—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

Services Procured for Clients Through Vocational Rehabilitation of the Disabled



Cost-Benefit by Disability Groups for Fiscal Year 1969-70

Disability	Costs			Benefits to government		Benefits to individuals		
	Clients rehabilitated	Total program cost	Average cost per rehabilitation	Total dollar benefits to government	Percent of costs returned annually	Earnings after rehabilitation	Earnings before rehabilitation	Net gain in earnings
TOTALS, ALL DISABILITIES	14,358	\$34,528,544	\$2,405	\$15,132,397	44%	\$71,060,028	\$13,867,516	\$57,192,512
Physical	5,721	14,337,652	2,506	6,884,705	48%	28,484,560	2,707,380	25,777,180
Mental ^a	1,422	3,852,336	2,709	2,304,151	60%	5,878,704	443,612	5,435,092
Alcoholism	2,667	4,254,652	1,595	1,810,180	43%	16,839,784	8,941,608	7,898,176
Mental retardation	1,163	3,598,208	3,094	685,221	19%	3,321,032	123,032	3,198,000
Behavioral disorders	1,949	4,282,784	2,197	2,378,387	56%	10,443,836	791,596	9,652,240
Legally blind	403	2,172,171	5,390	296,115	14%	1,359,956	139,724	1,220,232
Other visual impairments	395	858,991	2,175	326,150	38%	1,768,312	366,288	1,402,024
Deaf	455	809,568	1,779	325,390	40%	2,127,788	193,832	1,931,956
Other hearing impairments	183	362,182	1,979	122,098	34%	836,056	158,444	677,612

SUMMARY—STATE OPERATIONS AND LOCAL ASSISTANCE

SUMMARY—STATE OPERATIONS AND LOCAL ASSISTANCE				ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
STATE OPERATIONS							
PERSONAL SERVICES							
Net salaries and wages -----	1,863.8	2,112.8	1,797	\$16,908,425	\$19,371,480	\$19,376,709	
Staff benefits -----	-	-	-	1,915,567	2,274,306	2,399,049	
Totals, Personal Services -----	1,863.8	2,112.8	1,797	\$18,823,992	\$21,645,786	\$21,775,758	

^a Includes psychotic and neurotic.

DEPARTMENT OF REHABILITATION—Continued

LINE	SUMMARY—STATE OPERATIONS AND LOCAL ASSISTANCE	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	STATE OPERATIONS—Continued			
2				
3	OPERATING EXPENSES AND EQUIPMENT			
4	General expense -----	\$1,959,625	\$1,943,651	\$1,763,608
5	Travel -----	631,665	717,791	763,040
6	Subsistence and personal care -----	26,126	29,043	30,242
7	Facilities expense -----	1,242,587	1,366,379	1,405,780
8	Contractual services -----	4,482,362	4,964,602	8,227,741
9	Equipment -----	155,710	67,257	96,570
10	Purchased services for clients -----	15,446,950	17,638,416	19,125,781
11	Grants for establishment of rehabilitation facilities -----	2,611,073	1,604,764	643,000
12				
13	Totals, Operating Expenses and Equipment -----	\$26,556,098	\$28,331,903	\$32,055,762
14				
15	Totals, Expenditures -----	\$45,380,090	\$49,977,689	\$53,831,520
16	Reimbursements -----	-1,204,060	-1,411,249	-1,866,956
17				
18	Total Expenditures, State Operations -----	\$44,176,030	\$48,566,440	\$51,964,564
19	General Fund -----	7,228,371	6,901,733	7,118,098
20	Industries for the Blind Manufacturing Fund -----	964,021	1,335,332	724,871
21	Federal funds -----	35,983,638	40,329,375	44,121,595
22				
23				
24	APPROPRIATIONS			
25				
26	Support, Item 253 (General Fund) -----			\$7,118,098
27	Other:			
28	State operations (Industries for the Blind Manufacturing Fund) -----			724,871
29	State operations, grants (federal funds) -----			44,121,595
30				
31				
32				
33	REVENUES	ACTUAL	ESTIMATED	PROPOSED
34		1969-70	1970-71	1971-72
35				
36	General Fund -----	\$1,939	\$2,000	\$2,000
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DEPARTMENT OF SOCIAL WELFARE

GENERAL ANALYSIS

The department regulates and administers programs to provide financial support and social services to California residents who are incapable of self-support. The principal programs are: Aid to Families with Dependent Children (AFDC), Aid to the Blind (AB), Aid to the Totally Disabled (ATD), and Old Age Assistance (OAS). These are defined primarily in federal law and regulations and are administered directly in California by its 58 counties. The depart-

ment promulgates regulations to interpret federal and state welfare law, monitors the counties' performance of welfare programs, and claims federal reimbursements for these programs on behalf of the state and the counties. In addition, the department operates programs to place and maintain mentally handicapped persons in private community care, to supplement county adoption operations, and to license child care and adult residential care facilities.

PROGRAM	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	POTENTIAL 1971-72	PROPOSED 1971-72
	69-70	70-71	71-72				
I. Programs for Families and Children	575.5	528.2	496	\$999,850,927	\$1,365,857,679	\$1,519,894,510	-
II. Programs for the Aged	290.9	269.4	263.3	464,231,944	516,781,171	561,950,504	-
III. Programs for Disabled Adults	651.7	698.7	728.1	315,385,320	405,800,345	493,205,989	-
IV. Programs for the Blind	16.2	13.3	12.7	29,080,606	33,933,131	36,951,125	-
V. Public Welfare Manpower Programs	44.4	40.2	39.9	2,296,608	2,200,558	557,804	-
VI. Programs to Protect the Public	179.8	158.1	148.3	3,823,965	3,567,335	3,760,203	-
VII. Administration—distributed to programs	(546.2)	(466.5)	(515.5)	(5,929,001)	(5,479,976)	(6,236,004)	-
GRAND TOTALS, ALL PROGRAMS	1,758.5	1,707.9	1,688.3	\$1,814,669,370	\$2,328,140,219 ¹	\$2,616,320,135 ²	\$2,616,320,135 ²
Less legislative and additional administrative reforms				-	-	-	-386,000,000
ADJUSTED GRAND TOTALS, ALL PROGRAMS				\$1,814,669,370	\$2,328,140,219	\$2,616,320,135	\$2,230,320,135
Reimbursements (special social services)				-444,813	-508,930	-198,880	-198,880
Reimbursements (Medical Assistance Program)				-1,356,421	-1,010,523	-1,101,758	-1,101,758
Reimbursements (Community Services Division)						-16,881,108	-16,881,108
NET TOTALS, PROGRAMS				\$1,812,868,136	\$2,326,620,766	\$2,598,138,389	\$2,212,138,389
Federal funds				915,725,588	1,176,171,461	1,319,379,043	1,135,379,043
Counties' share				300,869,985	408,705,453	462,200,753	400,200,753
General Fund				596,272,563	741,743,852	816,558,593	676,558,593

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Caseload and Cost Increases

This budget provides funds for caseload and cost of living increases in the public assistance programs. California is facing an unprecedented increase in welfare caseloads and costs, particularly in the Aid to the Totally Disabled (ATD) and Aid to Families with Dependent Children (AFDC) programs. In the 1971-72 budget year, the General Fund impact of these increases would be approximately \$150 million over 1970-71, unless significant administrative and legislative reforms are made. This budget anticipates the achievement of several such reforms, as summarized below (see "Program Changes").

The 1970-71 and 1971-72 fiscal year expenditures include an increase in the work-related expenses for the Work Incentive Program.

Workload and Administrative Adjustments

Beginning with the 1970-71 fiscal year, 60 positions related to the medical assistance program are being transferred to the Department of Health Care Services, which previously provided for their reimbursement in the social welfare budget. In 1971-72, along with other departments in the new office building 8-9 complex, the department will transfer 24 duplicating and storage positions to the Department of General Services. These multidepartmental position transfers will facilitate consolidated and more efficient opera-

tion of these activities within the building complex.

In 1971-72 approximately 20 new positions are provided to meet increased workload requirements for the department's county audit function. At the same time, through consolidation of administrative functions, increased use of data processing and system management techniques, realignment of tasks to combine program and management positions, and systematic welfare reform activities as described below, the department is able to reduce its 1971-72 staff requirements by 152 positions for 1971-72. It is anticipated that a number of these positions will be replaced as a result of the welfare reform program.

The Departments of Social Welfare and Education have begun implementation of an interagency agreement to provide federal matching funds for the Children's Centers Program administered through school districts.

Adjustments for Legislation

Under the provisions of Chapter 1561, Statutes of 1970, this budget reflects reimbursed funding for the Protective Services Program for the mentally ill and retarded. These reimbursed funds, as budgeted in the Departments of Mental Hygiene and Public Health, will continue the program of accelerated community placements through the Community Services Division. In 1971-72 the division will place an additional 1,400 mentally retarded patients into private care in com-

¹ Reflects reduced expenditures, totaling approximately \$29 million, resulting from administrative reforms.

² Reflects reduced expenditures, totaling approximately \$220 million, resulting from administrative reforms initiated in 1970-71.

DEPARTMENT OF SOCIAL WELFARE—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

munities throughout the state, further reducing the state hospital population and effecting overall cost savings to the state as well as improved rehabilitation opportunities for these patients.

Other new legislation, providing for a \$7.50 monthly income disregard in computing aid for the Old Age Security and Disabled Programs (Chapter 1520, Statutes of 1970) and providing for graduated housing allowances for disabled recipients who live at home (Chapter 1426, Statutes of 1970), is reflected in the current and budget years.

Program Changes

In 1971-72, the budget reflects implementation of intermediate care as a new out-of-home placement program.

In 1971-72 the department's social work stipend and field instruction activities are not proposed for continuation.

In 1971-72 payments received by OAS recipients will be affected by a number of changes:

1. Continuation of the \$4 pass-on resulting from the recently enacted social security increases.

2. Continuation of a \$7.50 income exemption authorized by Chapter 1520, Statutes of 1970.

Provision of a \$6 cost-of-living increase effective December 1, 1971.

4. Discontinuance of a nonmandatory \$4 allowance for household remedies effective December 1, 1971.

It is estimated that the average monthly grant

received by OAS recipients will increase approximately \$7 in 1971-72.

Beginning in the 1970-71 fiscal year and extending through 1971-72, the budget reflects implementation of the recommendations of the Governor's Task Force on Public Assistance and the Departmental Regulations Task Force. These changes will affect the department's programs as follows:

Redefinition of "unemployed parent" for federal conformance

Tightening of welfare eligibility procedures

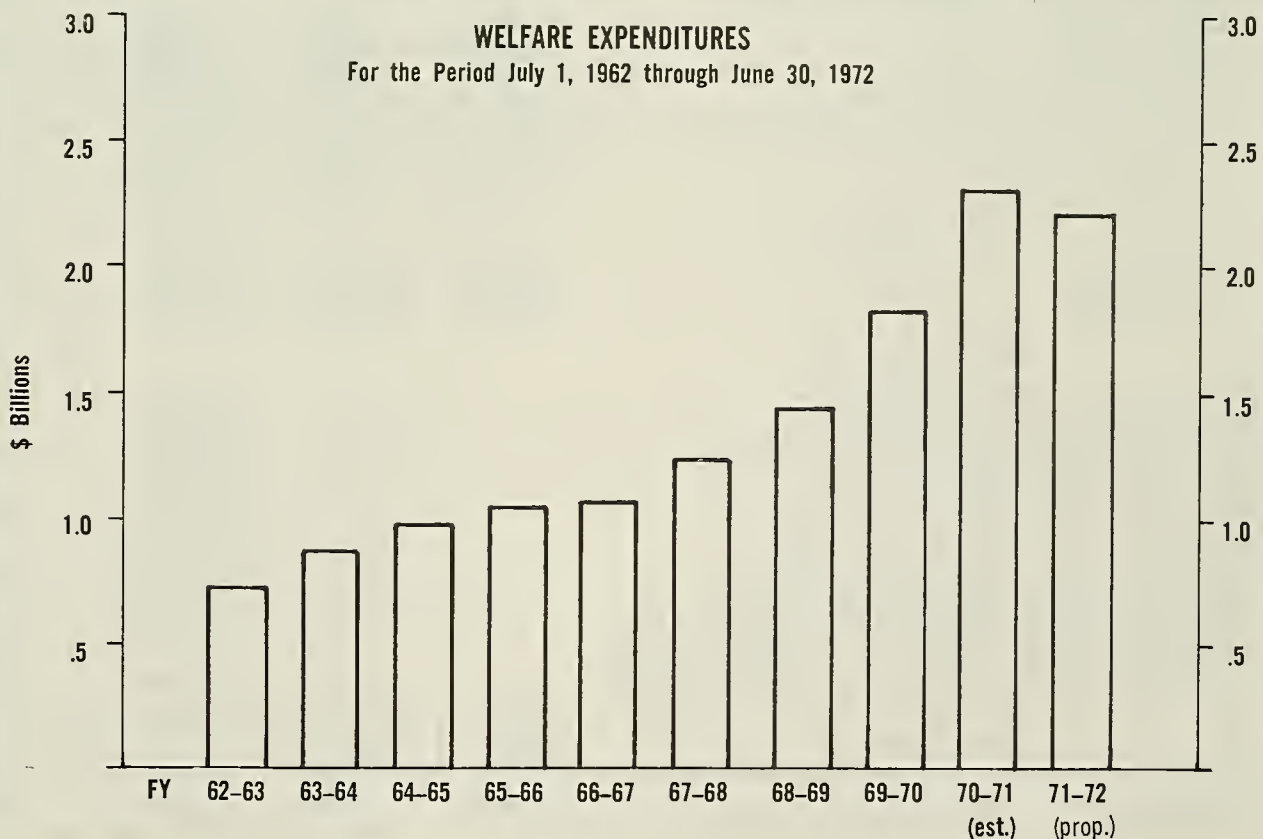
Limitations on allowable expenses of employment

Stricter eligibility requirements and allowances for in-home protective living arrangements and special housing needs

Additional public assistance reforms through administrative and legislative action

Welfare Reform

Significant reform activities will begin in 1971-72 to bring welfare eligibility and costs under control. The three most important of these activities are: (1) the design and prototype implementation of an automated, state-controlled system for determining who is eligible for aid and what their payment should be, and for providing current, accurate program information; (2) major restructuring of state regulations to simplify operations and reduce program and administrative costs; (3) innovation and experiment to discover less expensive, more satisfactory approaches to the delivery of welfare services.



LOANS TO RECIPIENTS OF AID TO THE BLIND

LINE	EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	SUMMARY			
2	Total Withdrawals:			
3	Loans to recipients of Aid to the Blind (<i>Revolving Loan Fund</i>) ^b	-	\$9,000	\$9,000
4	GENERAL ANALYSIS			
5	Chapter 2127, Statutes of 1963, established a re-			
6	volving fund for recipients of Aid to the Blind. It is			
7	used to make loans to recipients to enable them to es-			
8	tablish themselves in businesses, professions, or other			
9	gainful employment. As a result, this program makes			
10	it possible for recipients to discontinue their aid			
11	status and become self-supporting. Loans are limited			
12	to a maximum of \$5,000 each. The amount loaned in			
13	any year cannot exceed the amount saved by the state			
14	in the preceding year through discontinuances in Aid			
15	to the Blind which result from this loan program. A			
16	total of 19 loans have been granted under this pro-			
17	gram since January 1, 1964.			
18				
19				
20				
21				
22	RECONCILIATION WITH APPROPRIATIONS	ACTUAL	ESTIMATED	PROPOSED
23		1969-70	1970-71	1971-72
24				
25				
26	REVOLVING LOAN FUND			
27				
28	Withdrawals:			
29	Loans to recipients of Aid to the Blind -----	-	\$9,000	\$9,000
30				
31				
32				
33	FUND CONDITION	ACTUAL	ESTIMATED	ESTIMATED
34		1969-70	1970-71	1971-72
35				
36				
37	REVOLVING LOAN FUND			
38				
39	Accumulated surplus, July 1 -----	\$22,203	\$24,597	\$21,297
40	Receipts:			
41	Loan repayments and interest -----	2,394	5,700	5,700
42				
43	Totals, Resources -----	\$24,597	\$30,297	\$26,997
44	Withdrawals:			
45	Loans to recipients of Aid to the Blind -----	-	-9,000	-9,000
46				
47	Accumulated Surplus, June 30 -----	\$24,597	\$21,297	\$17,997

^b Neither the revenues nor the expenditures of nongovernmental cost funds are included in the overall budget totals.

WORKMEN'S COMPENSATION INSURANCE

Headquarters Office at San Francisco

Compensation Insurance Fund**GENERAL ANALYSIS**

The California State Compensation Insurance Fund is a self-supporting enterprise created to offer insurance protection to employers at the lowest possible cost. This fund operates in competition with other insurance carriers, acting as a yardstick for the securing of fair premium rates for employers and fair treatment for injured employees. The fund is required by law to use the same rates and classifications established by the State Insurance Commissioner for in-

surers generally, and provides that the rates shall be only those sufficient to carry out the specific purposes stated in law.

Expenditure estimates for the budget year are based on the level of activity anticipated by the funds management. Changes in economic conditions may result in corresponding changes in the various items of expense.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Compensation Insurance (<i>State Compensation Insurance Fund</i>) ^a --	\$23,089,314	\$22,830,000	\$22,350,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGE

The budget data presented is information available as an annual operations report. As a public enterprise fund authorized by statutes, no budget detail is presented.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
PERSONAL SERVICES			
Salaries and wages -----	\$13,337,070	\$13,550,000	\$13,400,000
Staff benefits -----	1,350,446	1,450,000	1,350,000
Totals, Personal Services -----	\$14,687,516	\$15,000,000	\$14,750,000
Operating Expenses and Equipment:			
Premium tax -----	2,618,883	2,408,000	2,400,000
Other -----	5,782,915	5,422,000	5,200,000
Totals, Operating Expenses and Equipment -----	\$8,401,798	\$7,830,000	\$7,600,000
Totals, Expenditures ^a -----	\$23,089,314	\$22,830,000	\$22,350,000

^a The expenditure of these funds are not included in overall budget totals.

WORKMEN'S COMPENSATION BENEFITS FOR SUBSEQUENT INJURIES**GENERAL ANALYSIS**

This program provides benefits for permanent disabilities in accordance with the provisions of Sections 4750-4755 of the Labor Code, which arise from industrial injury suffered by an employee who has suffered from a previous permanent disability.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Workmen's Compensation Benefits for Subsequent Injuries (<i>General Fund</i>)	\$1,526,698	\$1,699,000	\$1,770,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

During 1970-71, an allocation of \$46,000 from the Emergency Fund is anticipated to meet expenses based on revised estimates of number of claims.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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STATE OPERATIONS

Workmen's Compensation for Subsequent Injuries (<i>General Fund</i>)	\$1,526,698	\$1,699,000	\$1,770,000
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APPROPRIATION

Support, Item 260 (<i>General Fund</i>)			\$1,770,000
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WORKMEN'S COMPENSATION FOR DISASTER SERVICE WORKERS**GENERAL ANALYSIS**

This program provides for the hospitalization and medical care of disaster service workers, and services of the State Compensation Insurance Fund in cases where disaster service workers are injured, as provided by Chapter 10 of Part 1, Division 4 of the Labor Code.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Workmen's Compensation for Disaster Service Workers (<i>General Fund</i>)	\$100,107	\$106,000	\$110,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The current year Emergency Fund allocation of \$50,000 is provided to pay claims resulting from the fire disasters experienced last September.

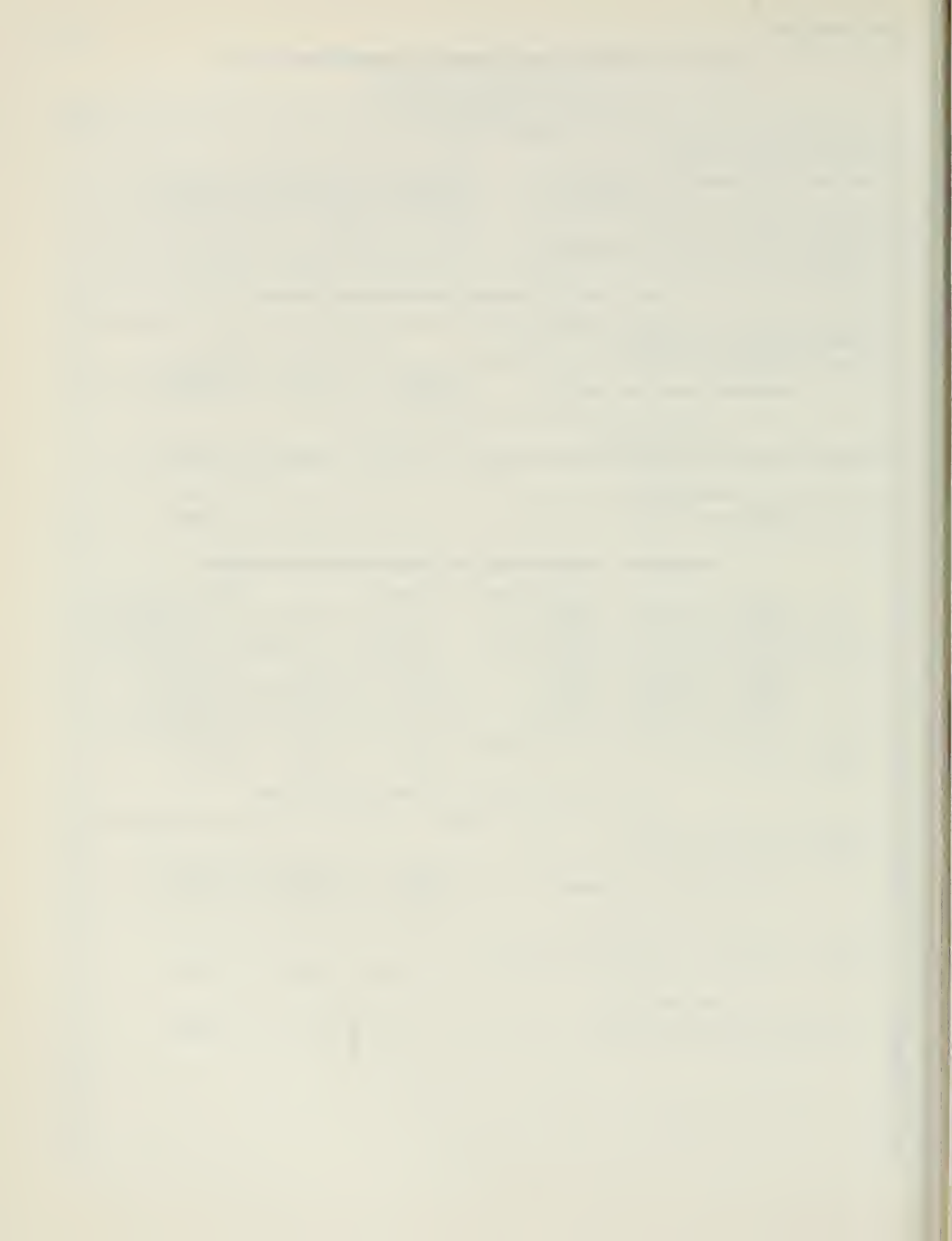
RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
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LOCAL ASSISTANCE

Workmen's Compensation for Disaster Service Workers (<i>General Fund</i>)	\$100,107	\$106,000	\$110,000
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APPROPRIATION

Local Assistance, Item 261 (<i>General Fund</i>)			\$110,000
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EDUCATION



ADDITIONAL

EDUCATIONAL RESEARCH COMMISSION

GENERAL ANALYSIS

The Educational Research Commission was created to administer a project system of innovative schools which explores problems in education. The project is limited to grades 1-3 and is charged with emphasizing instruction in reading and mathematics. The commission engaged in the following:

a. Identification of both exemplary and failing school programs as measured by degrees of pupil success;

b. Experimentation and research on a clinical basis which will lead to improved methods of instruction;

c. Measuring the potential for learning among pupils of varying aptitudes.

The commission and experimental research are in response to Chapter 1493 of 1969 which outlined a series of federal funding sources to support the commission and research through 1971-72. The project is being designed to utilize ESEA Title III federal funds in the coming year.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Educational Research Commission (General Fund) -----	-	2.5	-	-	\$51,540	-
RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			

STATE OPERATIONS

PERSONAL SERVICES						
Net salaries and wages -----	-	2.5	-	-	\$32,345	-
Staff benefits -----	-	-	-	-	3,847	-
Totals, Personal Services -----	-	2.5	-	-	\$36,192	-
OPERATING EXPENSES AND EQUIPMENT						
General expense -----	-	-	-	-	\$3,348	-
Travel -----	-	-	-	-	4,200	-
Facilities expense -----	-	-	-	-	2,050	-
Contractual services -----	-	-	-	-	2,450	-
Equipment -----	-	-	-	-	3,300	-
Totals, Operating Expenses and Equipment -----	-	-	-	-	\$15,348	-
Totals, Expenditures (General Fund) -----	-	-	-	-	\$51,540	-

DEPARTMENT OF EDUCATION

Headquarters Office at Sacramento

Introductory Comment

In order to affirm statewide educational leadership in the Department of Education and to reutilize its thrust for quality education in California, the newly elected Superintendent of Public Instruction needs opportunity to redirect the resources of the department. He should have flexibility in educational programs as well as in structuring the organization for program effect.

Consistent with these conclusions, the 1971-72 Governor's Budget proposes a blanket authorization of 394 unspecified positions (\$9,000,000) and the corresponding elimination of 394 presently authorized consultant positions. It is anticipated that a program proposal will be presented during the 1971 Session of the Legislature spelling out the intention and details of the superintendent's recommendations.

It is important that the State Superintendent of Public Instruction be held accountable for his programs, not for the programs of the past. When the leadership responsibility, the organizational climate, and the management personnel have been assigned in the priority areas identified by the Superintendent of Public Instruction, an accountability system can be built and operated.

All projects funded by Federal Elementary Secondary Education Act Title V Grant will be terminated at the end of the current year. The Title V grant for 1971-72 of approximately \$2,000,000 for strengthening the State Department of Education will be available to the new superintendent to develop and implement effective management of elementary and secondary education at the state level.

PROGRAM ADJUSTMENT FOR EDUCATIONAL REDIRECTION OF
DEPARTMENT OF EDUCATION

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
Department of Education (Expenditures) -----	2,181.1	2,380	2,387	-	-	\$25,726,447
Reduction for educational redirection ----	-	-	-394	-	-	-9,000,000
Proposed augmentation for educational redirection -----	-	-	394	-	-	9,000,000
TOTALS, DEPARTMENT OF EDUCATION -----	2,181.1	2,380	2,387	-	-	\$25,726,447

GENERAL ANALYSIS

The Department of Education seeks to insure that all children of the state have an opportunity to attend the public school system and that once enrolled, they receive adequate instruction by qualified teachers. The Superintendent of Public Instruction, an elected official, is the Director of the Department of Education, and secretary and executive officer of the State Board of Education, the policy determining body of the department.

The goals and objectives of the Department of Education are set forth in eight programs. These programs fall into two major categories which are Instructional Programs and Supportive Services. The Supportive Services Programs all aid the Instructional Programs but cannot be clearly identified with just a single instructional program. They are, therefore, placed in separate classes.

The major grouping of Instructional Programs is based on the target population served. These programs are as follows:

- I. Regular Instruction for Students
- II. Instruction for Educationally Disadvantaged Students
- III. Instruction for Special Education Students
- The Supportive Services Programs are classified largely on the basis of function or activity. These programs include:
 - IV. Instructional Support
 - V. School Administration and Finance
 - VI. Distribution of Aid
 - VII. Library Services
 - VIII. Departmental Administration

The activities of the department in furtherance of their goals and objectives are conducted by six major divisions. These include the Division of Departmental Administration, the Division of School Administration and Finance, the Division of Instruction, the Division of Special Education, the Division of Compensatory Education, and the Division of Libraries.

DEPARTMENT OF EDUCATION—Continued

LINE	PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70	70-71	71-72			
1	I. Regular Instruction for Students	185.4	187	216.3	\$54,695,427	\$40,417,919	\$47,419,064
2	II. Instruction for Educationally Dis-						
3	advantaged Students	120.4	179.4	179.1	178,071,840	176,560,125	214,074,805
4	III. Instruction for Special Education						
5	Students	785.5	897.7	890.5	16,612,501	21,636,764	21,620,770
6	IV. Instructional Support	352.2	367.8	373.1	21,537,666	24,947,232	27,886,299
7	V. School Administration and Fi-						
8	nance	62.5	55.5	53.7	1,348,726	1,219,974	1,167,800
9	VI. Distribution of Aid	273.7	297.8	294.5	1,478,516,892	1,591,421,542	1,582,189,821
10	VII. Library Services	178	187.5	187.2	5,227,684	9,684,115	9,637,096
11	VIII. Departmental Administration	223.4	207.3	192.6	3,161,056	4,716,695	4,722,958
12							
13	TOTALS, PROGRAMS	2,181.1	2,380	2,387	\$1,759,171,792	\$1,870,604,366	\$1,908,718,613
14	Reimbursements				-36,792,198	-51,763,415	-50,026,861
15							
16	NET TOTALS, PROGRAMS				\$1,722,379,594	\$1,818,840,951	\$1,858,691,752
17	General Fund				1,514,330,681	1,534,625,623	1,535,563,332
18	State School Fund				2,721,948	2,700,000	2,650,000
19	California Water Fund				133,061	276,408	350,000
20	Motor Vehicle Transportation Fund				-	18,000,000	20,000,000
21	State Construction Program Fund				-	47,242,202	16,000,000
22	Driver Training Penalty Assessment Fund				-	5,367,511	1,600,000
23	Surplus Property Revolving Fund				3,391,142	3,606,526	3,992,000
24	School Building Aid Fund				181,633	227,495	221,100
25	Credential Fees (General Fund)				3,287,121	2,756,084	2,738,593
26	Environmental Protection Program Fund				-	37,000	176,000
27	Federal funds				198,334,008	204,002,102	275,400,727
28							
29							
30							
31							
32							
33							
34							

Program Highlights

I. REGULAR INSTRUCTION FOR STUDENTS

The target group for regular instruction contains approximately 4,300,000 students, kindergarten through grade 12, who are enrolled in the schools of California. To become productive citizens in today's society, these young people must be educated to as near their maximum potential as possible.

The program consists of five elements which must all be given attention in the schools if the regular instruction program is to develop a well-rounded adult capable of solving contemporary problems. The five elements are: basic skills; health and safety; civic responsibility; academic education; and career preparation.

Basic Skills

Basic skills are tools needed to acquire information, work with quantitative data, and communicate ideas and information. Continued improvement of pupil achievement in basic skills is needed for the competence of pupils to develop along with the advance of technology in society. Lack of success in reading, mathematics, and English prevents pupils from progressing satisfactorily in school as well as in society. Current emphasis includes:

Reading: A means will be designed by which the program in each school district, kindergarten and grades one through 12, can be evaluated, in addition to the statewide testing program.

Mathematics: The department will enter into a contract with the University of California for the recruitment, designation, training, and supervision of mathematics specialists during the 1970-71 fiscal year.

English: An evaluation report of the English Teacher Specialist Program will be completed and distributed.

Health and Safety

Health and safety education is one aspect of a multifaceted attack on problems facing youth. These problems include drug abuse, smoking and drinking, venereal disease, emotional problems, environmental health hazards, natural disaster, and the greatest killer of them all—traffic accidents. These are only a few of the major health and safety problems that the schools must assist in solving. Education alone cannot eliminate any of these problems, but education must play a part in the effort to solve them.

During 1971-72, health education will implement an antipollution program; civil defense will be aiding in the development of teacher-education courses in the state colleges; conservation education will give more attention to curriculum development; and driver instruction is to emphasize evaluation.

Civic Responsibility

Social science courses constitute one vehicle for the promotion of civic responsibility. Alienation, confrontation, crime, drugs, arson, and vandalism demonstrate the need for teaching that personal liberty can exist only if it goes hand in hand with personal responsibility. Education is not blamed as the sole cause of the apparent breakdown in civic responsibility, but the conditions do point up the need to strengthen edu-

DEPARTMENT OF EDUCATION—Continued

Program Highlights—Continued

I. REGULAR INSTRUCTION FOR STUDENTS—Continued

education in the social sciences. In the coming year, particular attention will be paid to developing a program of instruction stressing the elements of basic law.

Academic Education

No person is well educated unless he has knowledge and understanding in several fields. This is an age of specialization; nevertheless, successful specialization is dependent upon broad knowledge. Broad general academic education is demanded by the colleges to which high school graduates matriculate. In fact, academic instruction is important in preparing a person either for employment or for continuing education.

Each area of the curriculum is aided by the development of frameworks and guidelines for teachers; consultant service is provided when needed; compliance with the law is examined; information on good educational practices is gathered and disseminated; projects designed to improve programs are carried on; and evaluation activities are undertaken.

Occupational Preparation (Vocational Education)

Most Californians have an immediate or potential need for vocational and professional education.

In our economy, with its massive population growth and technological change, the need for occupational education is three-fold: preentry training for those who seek initial employment or who enter new occupations, in-service training for those who are already employed, and retraining for those who must respond to technological change.

There is also a continuing need for vocational education programs specifically designed to assist the disadvantaged and the handicapped.

During the 1971-72 fiscal year, the program will assist local educational agencies to: 1. Provide occupational education for 250,000 youth and adults, making them available for immediate employment in the existing labor market; 2. Provide occupational education designed to upgrade 250,000 individuals already employed in specific occupations; 3. Provide specialized services and programs designed to counteract existing mental, physical, or socioeconomic handicaps; and 4. Establish, maintain, and improve vocational youth organizations, which provide leadership training for 27,000 youth and young adults. The program will also assist teacher training institutions, or will themselves conduct teacher training sessions, to prepare or upgrade 6,500 vocational education instructors and administrators.

II. INSTRUCTION FOR EDUCATIONALLY DISADVANTAGED STUDENTS

At least 1.8 million children, youth, and adults in California's poorest families live at the poverty level and for the most part are educationally disadvantaged. This group continually suffers language, cultural, economic, and environmental handicaps that modify their potential for success in completing a regular school program. To achieve success, these members of society require comprehensive, multifaceted, educational services that will help them overcome the inequities imposed by their disadvantaged status.

The program to serve the disadvantaged has three elements, educationally disadvantaged, migrant education, and preschool education.

Educationally Disadvantaged

People who are born and reared in an environment of poverty tend to remain in that environment. This segment of our population contributes proportionately less to the gross national product, while at the same time making greater demands on society.

Our public and private schools have been less successful with students from disadvantaged homes than with children from other homes. The students achieve at a significantly lower academic level than those do from average or more affluent backgrounds. The average child from a low socioeconomic background achieves 0.6-0.7 of a year's growth per school year. The result of that rate of progress is that the child from a poverty background falls further behind his

schoolmates as he progresses through the grades. By the eighth grade, he is frequently 2.5 years behind his expected grade level and often drops out of school.

The plan is to: 1. increase the academic achievement of the approximately 236,000 disadvantaged children who are served in compensatory education programs in elementary and secondary schools so that not less than 75 percent achieve at least month for month gains, with emphasis on services to children in preschool through grade 3; 2. improve participation between the public schools and the residents of poverty areas as measured by the establishment of effective compensatory education advisory committees, so that 20,000 residents of poverty areas will be directly involved in planning for the effective education of their children; 3. effect agreements with 130 school districts for the training of at least 12,000 welfare recipients in basic and vocational skills; and 4. conduct at least 10 regional workshops for all personnel involved in the WIN program.

In 1970-71 there has been a redirection of resources to emphasize modification of ineffective programs, a higher level of parent participation, and an increase in staff development activities through direct services by the state agency. New emphasis has been given to the evaluation of projects in terms of both cost and effectiveness.

DEPARTMENT OF EDUCATION—Continued

Program Highlights—Continued

II. INSTRUCTION FOR EDUCATIONALLY DISADVANTAGED STUDENTS—Continued

Migrant Education

Over 80,000 children of migrant agricultural workers attend schools in approximately 200 school districts in 43 California counties for at least a part of each year. These children from the least affluent segment of American society tend to move frequently, attend school irregularly, and suffer health defects and language handicaps resulting in significantly retarded progress in school. This retardation is cumulative and results in most of the children becoming early school leavers; thus, they are poorly prepared for economic success or upward social mobility. These problems are of such magnitude and severity that school districts have been unable to solve them with the resources normally available.

The objective of this element is to provide supplementary educational programs for 40,000 migrant children, which will ensure a mean of at least month for month progress in school subject matter areas for each month of attendance in participating schools.

Effectiveness of supplementary educational programs for migrant children will be measured through administration of standardized achievement tests, supplemented by locally devised ratings by teachers and other school district personnel. Due to the high mobility of migrant children, sampling techniques are used. In 1969, several samples were taken which indicated at least month for month gain in school subject matter. One sample of 228 migrant children enrolled in a six-week summer program gained an

average of 5.5 months in reading skills as measured by the California Reading Test.

Preschool Education

Educational programs are needed to enable disadvantaged children to overcome the deficiencies imposed by economic, environmental, educational, and cultural circumstances. These children require early assistance if they are to have an opportunity for future success in school. A statewide program of instruction and supervision for preschool children and extended day care for children enrolled in the elementary school grades provides that assistance.

A high quality preschool educational experience for 18,000 children is provided by the preschool component so that their readiness for regular school, as measured by standardized tests, is equivalent to the average group.

The children's centers component provides supervision and instructional services for children and develops readiness among preschool children for a successful adjustment to the kindergarten.

The Children's Center Program has experienced two major changes in 1970-71. Administration of all day care and preschool education programs have been consolidated within the Division of Compensatory Education, and a contract has been signed between the State Department of Social Welfare and the State Department of Education for the use of federal funds in providing day care for children who are residing in target areas and are welfare recipients or potential welfare recipients.

III. INSTRUCTION FOR SPECIAL EDUCATION STUDENTS

Public schools have the responsibility for maintaining educational programs of sufficient scope to meet the needs of all children, including those whose physical, mental, or emotional characteristics require special services. Based upon the 1968-69 graded enrollment, kindergarten through grade 12, 7.43 percent of the enrollment was in special education programs (approximately 330,000).

The Instruction for Special Education Program has three elements. They are handicapped students, gifted minors, and special schools.

Handicapped Students

Many children of school age cannot achieve maximum development in a regular school program because they are physically handicapped, mentally retarded, educationally handicapped, or multihandicapped. However, by modifying the educational program, these children can have a better opportunity to learn. With the acquisition of certain skills and vocational training, handicapped individuals can become

productive persons who otherwise would become social and economic wards of society.

Providing for the education of handicapped children is a shared responsibility of the school districts, county superintendents of schools, and the state. The delivery system of special education includes approximately 1,100 school districts, 58 county superintendents, and five special schools operated by the Department of Education. In the absence of suitable public school provisions, private schools and agencies provide education for handicapped minors.

A range of programs and special services are now available to serve the handicapped child. These include special schools, special day classes, supplemental services to regular classes, remedial instruction, individual instruction in the home or hospital, development centers, learning disability groups, and experimental programs.

Gifted Minors

There are over 100,000 school-age children in California whose intellectual functioning and disposition

DEPARTMENT OF EDUCATION—Continued

Program Highlights—Continued

III. INSTRUCTION FOR SPECIAL EDUCATION STUDENTS—Continued

for learning are significantly higher than the average. Such children are exceptional in that their needs cannot be fully and adequately served in a regular school program.

Providing for the education of mentally gifted minors is shared by school districts, county superintendents of schools, and the state. The delivery system of programs legally extends to all school districts and the 58 county superintendents.

A range of program options for mentally gifted minors is available. These include special classes and special services and activities, such as supplemental educational activities planned to augment the regular program, special tutoring or special correspondence coursework, advanced grade placement, seminars designed to enrich the several academic areas, special counseling or instruction conducted outside of the regular school day, and part-time placement in post-secondary classes for high school students.

Special Schools

Because of either the severity of the handicaps or their residence in a sparsely populated area, many handicapped minors do not have special education services available or cannot benefit from locally operated programs of special education.

The Department of Education operates five special schools for handicapped children in order to provide for such cases. They are: Diagnostic Schools for Neurologically Handicapped Children (northern and southern California); School for the Blind; and Schools for the Deaf (Berkeley and Riverside). A detailed description for each of the several schools follows:

IV. INSTRUCTIONAL SUPPORT

The instructional support activities are designed to support and supplement all other departmental instructional programs in providing statewide leadership for the purpose of improving the quality and effectiveness of instruction in California schools. Overall leadership and expertise are needed in the areas of pupil personnel services, audiovisual and school library programs, educational innovation and research, educational assessment and evaluation, intergroup relations, school approvals, teacher education and certification, and other instructional support activities within the Department of Education. A brief description of each of these elements follows:

Pupil Personnel Services

Provides leadership to local educational agencies (LEAs) for the development, improvement, and evaluation of pupil personnel services to students in the elementary and secondary schools of California.

1. *Diagnostic Schools for Neurologically Handicapped Children*

Two Diagnostic Schools for Neurologically Handicapped Children (located adjacent to San Francisco State College and California State College, Los Angeles) are operated by the Department of Education to provide diagnostic services for children who are unable to be enrolled in a local program.

The principal components of the schools' operation are short-term diagnostic services and long-term educational services. The other major function of the schools is the training of professional and paraprofessional people who work with neurologically handicapped children. Special projects relating to the education of handicapped children are conducted periodically at the schools.

2. *California School for the Blind*

The School for the Blind provides an opportunity for blind and multihandicapped blind children to attend a state residential school and receive specialized services which are imperative for education of blind children.

3. *California Schools for the Deaf*

The state operates two residential schools for deaf children (located at Berkeley and Riverside) to provide special programs for deaf children who are unable to benefit from a local program. The schools' services are subdivided into the following activities: (a) educational services; (b) supporting services; (c) special projects; (d) professional personnel training; (e) residential and personal care; and (f) administration and plant operation.

Audiovisual and School Libraries

Assists LEAs plan, establish and evaluate functional media centers incorporating the utilization of all types of instructional media, including library materials, instructional television, and all other forms of audiovisual materials and equipment.

Educational Innovation and Research

Seeks to improve student achievement by utilizing new imaginative solutions to critical educational problems through adopting tested programs funded under Title III, ESEA; and to provide leadership for LEAs in planning, implementing, and evaluating the provisions of Title III, NDEA, which provide resources for instructional equipment, materials, or minor remodeling.

DEPARTMENT OF EDUCATION—Continued

Program Highlights—Continued

IV. INSTRUCTIONAL SUPPORT—Continued

Educational Assessment and Evaluation

Provides mandated reports to the State Board of Education relative to the competences of all pupils in grades six and 12 in the basic skills and to reading test scores obtained by all pupils in grades one, two, and three; and to provide statewide normative information for comparison purposes.

Intergroup Relations

Determine numbers, percentages, distribution, and concentration of each racial and ethnic group of pupils; develops specific policies and guidelines to assure equality of educational opportunity and prevent or eliminate the segregation of minority and majority group pupils and personnel in the schools; identifies, assesses, and recommends necessary modifications of educational programs so that the desegregated schools and classroom increases the achievement level of all pupils, improves the attitudes and appreciation of pupils toward different racial, ethnic, and cultural groups, and creates respect and understanding of constitutional assurances of equal rights; develops and implements evaluative criteria of effectiveness of technical and consultative services in the

desegregation process and disseminates information on effective practices.

School Approvals

Provides leadership to public and private schools and colleges in developing educational programs for veterans; monitors and protects expenditures for veteran training in public and private schools and assures a quality training program for eligible veterans.

Teacher Education and Certification

Protects public school children and youth from teachers of questionable personal and professional fitness and assures that schools are staffed with certificated personnel possessing adequate intellectual ability, academic training, and professional preparation.

State Advisory Council on Vocational Education

Develops a state plan for vocational education that will be more relevant, more closely attuned to individual needs, interests, and aptitudes and assure subsequent occupational and educational opportunities.

V. SCHOOL ADMINISTRATION AND FINANCE

The policymaking body for public education in California is the State Legislature. The organization through which state fiscal policy is brought to bear upon the pupils of the state is the school district. To bridge the distance from Legislature to district, a program in school administration and finance provides the communication necessary to bring to the districts the desires of the Legislature.

The Department of Education provides this communication through the School Administration and Finance Program which consists of the following elements.

District Organization

This activity provides liaison between the State Board of Education and the county committees on school district organization in the state program for the improvement of the school district organization of the state. The activity provides staff service to the state board and consultant services to county committees. The activity is also concerned with district organization procedures, other than the formation of unified districts, such as transfer of territory, annexation of one district to another, or the formation of new districts.

Administrative Research

Factual information regarding the current status and change in aspects of administration and finance must be available to guide policy and procedural

decisions by elected and appointed officials with responsibilities in public education. This activity involves the gathering or assembling, analyzing, and reporting of administrative statistical data.

Pupil Transportation

This activity is concerned with the safe transportation of pupils and the administration of the transportation system. The state's interest in the safety of children and its obligation to assist in the improvement of the efficiency of schoolbus operation are centered in the transportation activity. The system transports 910,325 pupils daily between home and school in approximately 11,300 schoolbuses operated by 14,000 drivers.

California Highway Patrol accident reports indicate that in excess of 50 percent of the accidents involving schoolbuses are deemed to be the fault of the schoolbus driver.

The activity provides opportunity for in-service training of personnel engaged in school transportation ranging from driver training to administration.

Child Welfare and Attendance

The apportionment of the State School Fund is made upon the basis of the average daily attendance reported from each district. In addition to accounting for and reporting average daily attendance for regular day class, a separate reckoning must be made for each special education class, such as a class for the physically handicapped or mentally retarded. This is

DEPARTMENT OF EDUCATION—Continued

Program Highlights—Continued

V. SCHOOL ADMINISTRATION AND FINANCE—Continued

done because the attendance in each special class earns a different allowance per unit of average daily attendance. Similarly, the attendance in grades 1 through 3 and the attendance of adults generates different allowances.

The State Legislature in its concern with the actual attendance of children in schools and factors affecting their attendance enacted the compulsory attendance law. It defines persons subject to compulsory education, persons exempt, admission to school, work permits, truancy, supervision of attendance, protection of children, and so forth.

This activity is concerned with the accurate accounting and reporting of attendance data; improving accounting and reporting procedures; informing districts on changes in law, regulation, or procedures; preparing and distributing attendance forms; reviewing applications for attendance credit in unusual circumstances; advising on legislation pertaining to attendance; providing consultant services on attendance problems; and administering the Maple Creek Willie Scholarship Fund.

Management Services

The Education Code of California is defined as a mandatory code. This means that a school board may do only those things prescribed by law and may not act on matters not prescribed by the law.

In the area of administration, the code prescribes the powers; duties; responsibilities; election and appointment of school boards; budgeting, accounting, and reporting procedures; procedures for entering into contracts; requirements for insurance; provisions for the sale and lease of property; and many other duties and obligations.

Because provisions for the administration of school districts are so numerous and diverse and are subject to change each year, constant attention must be given to the manner in which compliance is obtained in the districts, timely information disseminated to the districts on changes in law or procedure, and effort made to improve management techniques.

This activity is concerned with the administration of school districts generally. It advises school boards and school administrators on problems of district administration, provides a central resource of information to the districts of the state, monitors administrative activities for compliance with law and regulations, makes recommendations with respect to legislation about the administration of the districts, and works with districts to improve management.

School District Budgeting and Accounting

The magnitude of the task of educating five million pupils in the public school system and the infinite variety of needs require that school districts demonstrate more clearly the programs for which they are asking support and the extent to which these programs are reaching stated objectives.

A management system is needed that will provide the range of information from district need to achievement in measurable terms.

The activity was initiated by the Legislature in 1967 when it established the Advisory Commission on School District Budgeting and Accounting. The commission was made advisory to the State Board of Education and given the task of recommending a budgeting and accounting system for the districts of the state.

In its first two years, the commission developed a design for a PPBS for school districts and tested the design in several coordinating districts. In the current year a manual will be completed and approximately 800 persons trained in the program planning budgeting system. The main effort during 1971-72 will be in training approximately 1,000 middle management persons.

School Facilities Planning

The Legislature has devised a procedure to govern the selection of school sites, the planning of school facilities, and the allocation of state building aid funds to qualified districts. The Department of Education has been given the responsibility for establishing standards for the selection of school sites and the approval of plans for school buildings.

Most school districts do not have staff capability to plan for school facilities because the need for such capability does not occur often enough to justify having a planning staff. The capability of other districts will vary according to size, financial ability, and need.

Developments in instruction and in instructional environment are occurring at a rapid pace, and a central agency is needed to keep up with the research in the field and to provide information about new developments and innovations to districts in which facilities are being planned.

The primary responsibility for providing school housing is placed in the more than 1,000 local school districts in California. However, responsibility for ensuring that such housing meets statutory requirements, that it is adequately and properly equipped and furnished, that principles of good planning are applied, and that available financial support programs from state and federal sources are correctly used remains at the state level.

The activity is continuously involved in special programs in facilities planning either directly related to public schools, related to general public planning, or related to the work of other state agencies. Some special programs have been initiated by specific state and federal legislative bills involving planning, capital outlay, and consultant services for categorical educational purposes. Other generate from executive, administrative, or special legislative committee mandates.

DEPARTMENT OF EDUCATION—Continued

Program Highlights—Continued

VI. DISTRIBUTION OF AID

The school districts of California are financed in their activities by a pooling of resources from several levels of government. Although the major resources are from local government, California provides approximately 37 percent of the local general fund financing of school districts.

To provide for the logical and equal distribution of state aid of both moneys and goods, a system of distribution of aid has been devised through the cooperative efforts of California school districts, county superintendents' offices, the Governor's staff, the Legislature, and the State Department of Education.

The distribution of aid program provides state aid and some federal aid to finance the instructional and special education programs.

The distribution of aid program is an amalgamation of four distinctly different activities which provide aid to a common focal point: the California school district. In fact, the most frequent daily contacts between the Department of Education and the school districts occur in the activities of this program. The four activities are (1) apportionment of funds; (2) distribution of surplus property; (3) selection and distribution of textbooks; and (4) administration of the food service programs.

Apportionments

Every school district and county superintendent's office requires financial support of its programs if the objectives and goals of the local educational agency (LEA) are to be met.

The state funded portion of the school finance system is highly complex, and this causes the LEA's to demand many services of the department's apportionment staff.

The apportionment system, including a parallel reporting system, is responsible for the distribution of a sizeable portion of the total state general fund.

The overall apportionment process is quite complicated, and special legislative enactments have made it more so each fiscal year. As the apportionment system becomes more complicated, the related reporting and information systems have also become more complex.

The further shifting to data processing is necessitated by the conversion of school districts and possibly offices of county superintendent to the planning, programming, budgeting system (PPBS). PPBS will also require major changes in the California School Accounting Manual.

The Legislature and Governor are expected to propose changes in the school apportionment process, which may affect the workload of the Bureau of School Apportionments and Reports.

Surplus Property

U.S. government employees are being withdrawn from many areas throughout the world to meet po-

litical demands and reduce overseas spending. Every time such movements occur, large quantities of surplus items become available for distribution to educational agencies.

The surplus property activity in the distribution of aid program is the vehicle through which the federal government releases all of California's share to qualifying institutions. And California school districts are the major recipients of such surplus goods.

The only costs involved in securing the goods are transportation fees sufficient to cover handling costs of the materials and the related administrative costs. By this means the school district's need for materials and commodities can be partially satisfied at a much reduced cost.

In three locations in California warehouses are maintained as distribution centers for the massive volume of surplus property and commodities made available by the federal government.

The availability of such goods varies with the world situation. As the war in Vietnam lessens, the shiploads of surplus items have been increasing rapidly. These goods may be returned to California ports by the federal government or be left on some dock in a warehouse in some distant port. The staff responsible for this activity has to determine if the surpluses are worth the return cost. Food surpluses are provided by USDA.

The major changes will be in the area of increased distribution of property as the Vietnam war subsides and the USDA program to make surplus commodities available to schools and county welfare program increases.

Textbooks

Textbooks are the basic tools of students. At the elementary school level, the state has taken the position that California school districts should be provided textbooks at no charge. This type of program provides that poor and wealthy districts receive the same basic textbooks.

The activity helps ensure the availability of state textbooks in the public elementary schools as authorized by the State Board of Education.

The only significant change, other than rising costs, is the need for data processing to make available the type of reporting system necessary to provide management with the needed decisionmaking tools.

Food Services

Good nutrition is essential to good health, and good health is a basic factor in school achievement. The state and federal governments have recognized the need to make available nutritious meals to school children, particularly those of needy families.

There is need to provide for the administration and coordination of the food service programs and disburse the funds to school districts and nonprofit agencies participating in the program.

DEPARTMENT OF EDUCATION—Continued

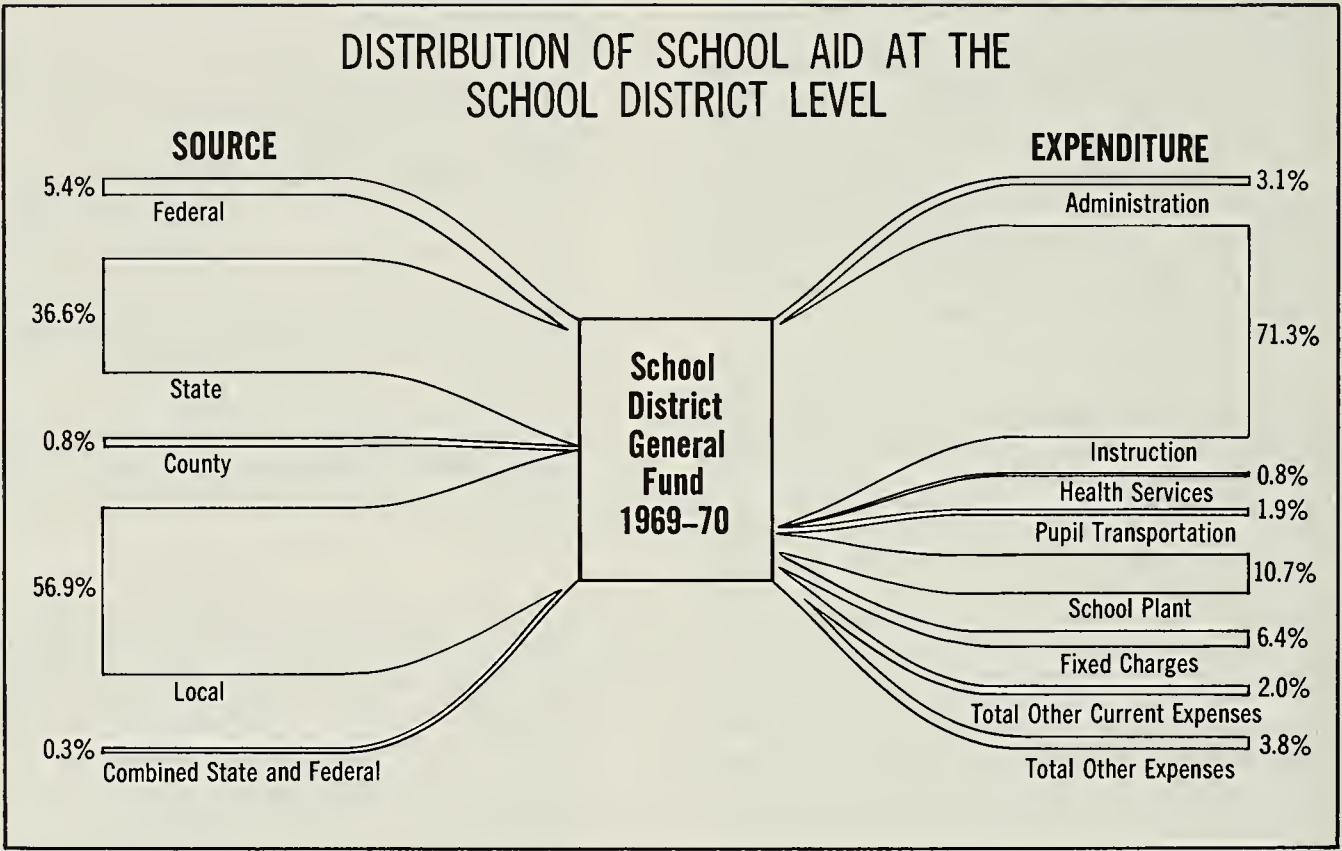
Program Highlights—Continued

VI. DISTRIBUTION OF AID—Continued

The food services activity (1) develops statewide policies and procedures regarding participation in the various child nutrition programs; (2) provides consultant services to eligible participants; (3) monitors programs for compliance with federal and state requirements; (4) reviews local policy statements and procedures regarding the furnishing of free and reduced price meals to needy children; (5) works with school districts and other agencies to extend the vari-

ous child nutrition program to an increasing number of children; and (6) cooperates with school districts, universities and colleges, and other public agencies in developing a functional program of nutrition, education, and training.

Very little overall change has occurred in the activity except the further implementation of AB 318 (Duffy-Moscone) and the continued implementation of the new federal fund program for nutrition education and training.



VII. LIBRARY SERVICES

The public has need for materials, reference service or consultant and research services.

Citizens and governmental bodies are assisted through the use of library resources and services. Libraries as educational institutions need further impetus. The development of free public libraries requires aid and leadership. A well-informed population results from immediate and comprehensive accessibility to library resources and services.

The objective of the Library Services Program is to

aid in the education of citizens through the libraries of the state and to provide an informed government.

The objective is achieved through three activities:

1. Resources and Services—The objective of which is to provide library materials and services to the public;
2. Advisory and Research—The objective of which is to improve and strengthen libraries;
3. Administration—Designed to provide support and direction for the operating program.

^a Does not include state expenditures for teachers retirement or capital outlay.

DEPARTMENT OF EDUCATION—Continued

VIII. DEPARTMENTAL ADMINISTRATION

The successful fulfillment of departmental program objectives is dependent upon effective leadership and policy direction and the necessary support services provided by the Departmental Administration Program.

The objectives of the state board, the director, and his cabinet are to provide policy, administrative direction, and regulations to departmental operations for the effective and efficient accomplishment of departmental objectives.

The administrative services staff provides centralized administrative support necessary to management, program managers, and departmental staff in the execution of their programs for the realization of departmental goals and objectives.

Major emphasis on departmental administration for 1971-72 will be to increase the effectiveness of communications, coordination, delegation, and accountability for results in the department through the shifting of resources to accomplish the following:

1. Improvement of management reports—to agree-

gate expenditures by organization, fund, and program to meet a variety of program manager, management, state and federal reporting requirements;

2. Further documentation of departmental policies, organization, systems, and procedures;

3. Development of an indirect cost structure for funding of departmental administration;

4. Continuation of the development of program budgeting as the operational planning phase of a comprehensive program management system to increase program effectiveness through better communications, coordination, delegation, and accountability for results. The first step of the operational planning process is the development of the program budget for 1971-72.

5. The conversion of data processing, publications, and training to service bureaus which provide direct services to managers of educational programs on request and direct charge programs for services provided.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Authorized Positions -----	2,181.1	2,317.1	2,318.7	\$21,387,299	\$23,878,543	\$24,363,070
Workload and administrative adjust- ments -----	-	164	-	-	1,561,463	-
Proposed new positions— departmental -----	-	-	266.4	-	-	2,959,612
Proposed new positions—educational redirection -----	-	-	394.1	-	-	6,818,569
Proposed reductions—departmental -----	-	-29	-122	-	-344,314	-1,459,393
Proposed reductions—educational re- direction -----	-	-	-394.1	-	-	-6,818,569
Totals, Adjustments -----	-	135	144.4	-	\$1,217,149	\$1,500,219
Totals, Salaries and Wages -----	2,181.1	2,452.1	2,463.1	\$21,387,299	\$25,095,692	\$25,863,289
Estimated salary savings -----	-	-72.1	-76.1	-	-745,554	-771,649
Net Totals, Salaries and Wages --	2,181.1	2,380	2,387	\$21,387,299	\$24,350,138	\$25,091,640
Staff benefits -----	-	-	-	2,101,555	2,665,583	2,667,272
Totals, Personal Services -----	2,181.1	2,380	2,387	\$23,488,854	\$27,015,721	\$27,758,912
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$4,808,005	\$6,053,322	\$7,853,662
Travel -----				1,161,686	1,396,741	1,800,076
Facilities expense -----				1,350,905	1,575,848	1,336,997
Contractual services -----				4,664,148	9,863,914	9,130,383
Subsistence and personal services -----				414,507	420,845	449,116
Special projects -----				505,094	166,986	296,300
Equipment -----				400,854	315,640	344,512
Totals, Operating Expenses and Equipment -----				\$13,305,199	\$19,793,296	\$21,211,046
Reduction for educational redirection -----				-	-	-1,500,000
Addition for educational redirection -----				-	-	1,500,000
Adjusted Totals, Operating Expenses and Equipment -----				\$13,305,199	\$19,793,296	\$21,211,046
Totals, Expenditures -----				\$36,794,053	\$46,809,017	\$48,969,958
Reimbursements -----				-2,801,410	-5,457,146	-5,677,306
Net Expenditures -----				\$33,992,643	\$41,351,871	\$43,292,652
SPECIAL ITEMS OF EXPENSE						
Commission for Teacher Preparation and Licensing -----				-	\$50,000	\$100,000
Totals, Expenditures -----				\$33,992,643	\$41,401,871	\$43,392,652
General Fund -----				16,085,666	16,380,596	15,995,345
Surplus Property Revolving Fund -----				3,391,142	3,606,526	3,992,000
School Building Aid Fund -----				181,633	227,495	221,100
Federal funds -----				11,047,081	18,394,170	20,269,614
Credential fees (General Fund) -----				3,287,121	2,756,084	2,738,593
Environmental Protection Program Fund -----				-	37,000	176,000

DEPARTMENT OF EDUCATION—Continued

LINE	RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	LOCAL ASSISTANCE			
2				
3	Apportionments for public schools -----	\$1,425,023,251	\$1,520,827,193	\$1,500,000,000
4	Loans to school districts -----	548,037	-177,678	-197,679
5	Educational Improvement Act -----	4,941,081	-	-
6	Assistance to new junior colleges -----	-9,441	-	-
7	Instructional television -----	696,027	725,000	800,000
8	Compensatory education -----	117,714,217	109,114,975	137,694,547
9	Special Elementary School Reading Instruction Program -----	22,407,901	18,000,000	18,360,000
10	Mathematics Improvement Program -----	924,199	925,000	-
11	Children's centers -----	8,715,590	10,399,712	10,627,666
12	Grants to teachers of physically handicapped minors -----	148,879	150,000	150,000
13	Loans to teachers of educationally handicapped minors -----	50,000	-	-
14	State School Lunch Program -----	22,856,137	43,353,025	63,955,800
15	Children's centers construction -----	1,655,460	344,540	-
16	Free textbooks -----	22,692,923	21,307,110	17,828,000
17	Assistance to public libraries -----	1,251,616	1,000,000	800,000
18	School library resources -----	3,835,244	4,166,500	7,298,432
19	Adult basic education -----	2,099,633	1,687,292	1,687,904
20	National defense education -----	4,329,109	5,335,635	5,335,635
21	Vocational education -----	37,189,965	31,164,331	41,840,795
22	Work Incentive Program -----	11,317,123	9,116,445	9,118,000
23				
24	Totals, Expenditures -----	\$1,688,386,951	\$1,777,439,080	\$1,815,299,100
25	General Fund -----	1,498,245,015	1,518,245,027	1,519,567,987
26	State School Fund -----	2,721,948	2,700,000	2,650,000
27	California Water Fund -----	133,061	276,408	350,000
28	Federal funds -----	187,286,927	185,607,932	255,131,113
29	Motor Vehicle Transportation Fund -----	-	18,000,000	20,000,000
30	State Construction Program Fund -----	-	47,242,202	16,000,000
31	Driver Training Penalty Assessment Fund -----	-	5,367,511	1,600,000
32				
33				
34	APPROPRIATIONS			
35				
36	State Operations			
37				
38	Support, Item 262 (General Fund) -----			\$24,100
39	Support, Item 263 (General Fund) -----			5,000,000
40	Support, Item 264 (State School Building Aid Fund) -----			221,100
41	Support, Item 265 (General Fund) -----			167,200
42	Support, Item 266 (General Fund) -----			8,723,145
43	Support, Item 267 (Surplus Educational Property Revolving Fund) -----			3,992,000
44	Support, Item 268 (General Fund) -----			1,897,000
45	Other:			
46	Chapter 1588, Statutes of 1970 (Environmental Protection Program Fund) -----			176,000
47	Continuing appropriations, credential fees (General Fund) -----			2,738,593
48	Chapter 1251, Statutes of 1970 -----			40,000
49	Continuing appropriation, driver training administration (General Fund) -----			143,900
50	State operations (Federal funds) -----			20,269,614
51	Local assistance, school apportionments, Item 269 (General Fund) -----			1,371,400,000
52	Local assistance, school apportionments cost adjustment, Item 270 (General Fund) -----			88,000,000
53	Local assistance, vocational education, Item 271 (General Fund) -----			800,000
54	Local assistance, compensatory education, Item 272 (General Fund) -----			11,000,000
55	Local assistance, reading instruction program, Item 273 (General Fund) -----			18,360,000
56	Local assistance, children's centers, Item 274 (General Fund) -----			10,627,666
57	Local assistance, grants to teachers, Item 275 (General Fund) -----			150,000
58	Local assistance, free textbooks, Item 276 (General Fund) -----			17,828,000
59	Local assistance, public libraries, Item 277 (General Fund) -----			800,000
60	Local assistance, instruction television, Item 278 (General Fund) -----			800,000
61	Local assistance, Section ---- (State Construction Program Fund) -----			16,000,000
62	Local assistance, Section ---- (Motor Vehicle Transportation Tax Fund) -----			20,000,000
63	Other:			
64	Local assistance, Chapter 1454, Statutes of 1969 (Driver Training Penalty Assessment Fund) -----			1,600,000
65	Local assistance (State School Fund) -----			2,650,000
66	Local assistance (California Water Fund) -----			350,000
67	Local assistance, loans to school districts (General Fund) -----			-197,679
68	Local assistance (Federal funds) -----			255,131,113
69				
70				
71				
72	REVENUES			
73				
74				
75				
76	Credential fees per Education Code Section 13183 -----	\$2,161,381	\$2,025,000	\$2,150,000
77	Credential fees per Chapter 1674, Statutes of 1967 -----	679,090	750,000	775,000
78	Lost and damaged textbooks -----	80,797	95,000	95,000
79	Filing fees -----	13	25	25
80	Miscellaneous -----	1,368	3,500	3,500
81				
82	Totals -----	\$2,922,649	\$2,873,525	\$3,023,525
83				
84				
85				
86				

DEPARTMENT OF EDUCATION—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2	Department of Education—Special Schools—Capital Outlay			
3				
4	Major Projects:			
5	School for the Deaf—Riverside-----	-	\$135,000	-
6	Minor Projects: *			
7	School for the Blind—Berkeley-----	\$15,200	-	-
8	Diagnostic School for Neurologically Handicapped Children—			
9	Northern California-----	-	23,445	-
10	Diagnostic School for Neurologically Handicapped Children—			
11	Southern California-----	-	-	-
12	School for the Deaf—Berkeley-----	39,159	220	-
13	School for the Deaf—Riverside-----	36,837	29,700	-
14				
15	TOTALS, EXPENDITURES, CAPITAL OUTLAY-----	\$91,196	\$188,365	-
16	General Fund-----	91,196	103,365	-
17	State Construction Program Fund-----	-	85,000	-

GENERAL ANALYSIS

The Department of Education administers five special schools for handicapped children, including one for the education of the blind, two for the education of the deaf, and two for the diagnosis and educational evaluation of the neurologically handicapped child. In the current year funds are available for working drawings for the first phase of the construc-

tion of a multihandicapped deaf unit for 100 children at the School for the Deaf, Riverside. Upon completion of the first phase, the five-year capital outlay projection proposes funds for the completion of the second and final phases of construction. The total multihandicapped unit, when completed, will educate and evaluate 210 multihandicapped deaf children.

* Minor capital outlay is reflected in the state operations budget beginning in 1971-72.

CONTRIBUTIONS TO TEACHERS' RETIREMENT FUND

GENERAL ANALYSIS

Contributions to the Teachers Retirement Fund are from three separate sources: teachers, employing school districts and an annual amount from the state General Fund. Teachers contributions are a fixed percentage of salary. The law provides for a school districts contribution of a maximum of 3 percent of teachers payroll plus \$12 per year per teacher. The state's General Fund contribution is made annually

to fund the balance of benefit expenditures for that fiscal year which is not provided by the retired teachers accumulated contributions and school districts contributions. The public contributions, both from school districts and the State General Fund, are expended, upon receipt, to provide funds to pay current benefit expenditures.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
State's Contribution to Member Benefits -----	\$79,000,000	\$91,000,000	\$98,000,000
<i>General Fund</i> -----	79,000,000	91,000,000	26,000,000
<i>Teachers' Retirement Fund</i> ^a -----	-	-	72,000,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

During 1971-72, it is estimated that the fund will require \$98 million to pay benefit expenditures.

The General Fund will contribute \$26,000,000 towards this benefit expenditure. Approximately \$72,000,000 is available from the reserve for contingencies in the Teachers' Retirement Fund, upon authorization of the Teachers' Retirement Board, to supplement this General Fund appropriation. The expenditure from the Teachers' Retirement Fund is in recognition of the fact that actuarial losses from salary and mortality experience have not been charged against the contingency reserve as provided for in statute. Actuarial consultants have reported that the single greatest source of loss to the system has been from salaries increasing more rapidly than anticipated in the calculation of teachers contributions. They also reported in 1967 and in 1969 that the adverse salary

experience and the mortality experience loss is far in excess of the contingency reserve. The excess actuarial losses become part of the unfunded liability of the Teachers' Retirement System, and under current statute, become obligations of the State of California.

The present method of funding will result in the State General Fund appropriation increasing to over \$600 million in 20 years which when combined with district contributions will cover an estimated 72.9 percent of the benefit expenditures.

To alleviate the untenable funding situation, which will develop in the next 10 to 20 years, the Teachers' Retirement Board sponsored legislation during the 1970 legislative session which has been under interim study by the Legislature. With some modification, a similar legislative proposal will be sponsored again by the board at the 1971 session.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
LOCAL ASSISTANCE			
State's Contribution to Member Benefits -----	\$79,000,000	\$91,000,000	\$98,000,000
<i>General Fund</i> -----	79,000,000	91,000,000	26,000,000
<i>Teachers' Retirement Fund</i> ^a -----	-	-	72,000,000

APPROPRIATIONS

Local Assistance, Item 279 (<i>General Fund</i>) -----	\$26,000,000
Other:	
Local Assistance (<i>Teachers' Retirement Fund</i>) ^a -----	72,000,000

^a Trust fund expenditures are excluded from overall budget totals. The reserve for contingencies in the Teachers' Retirement Fund will be utilized to augment the General Fund appropriation for benefit expenditures.

DEBT SERVICE ON PUBLIC SCHOOL BUILDING BONDS

GENERAL ANALYSIS

The State School Building Aid Bond statutes and the Public School Building Loan Bond statutes authorize the extent of issuance of general obligation bonds of the State of California to finance loans to the school districts for the acquisition of land and the construction, alteration, and equipping of school facilities.

Highlights of Program or Workload Changes

The electorate has authorized \$1,890,000,000 school building bonds to be issued and sold of which \$1,745,100,000 have been issued and sold as of November 30, 1970.

The 1971-72 fiscal year provides for a \$50 million bond sale to finance the supplemental cash needs to June 30, 1972.

An individual school district requesting a loan is required to have used 95 percent of its maximum bond capacity or be within \$25,000 of reaching the 95 per-

cent requirement. The school districts with outstanding loan balances repay the state on the basis of a formula that involves district assessed value and the local district debt service payments of the fiscal year. The state laws provide for repayment of district loans over a period of 30 years, with 10 additional years added to the repayment period in the event the school district requests a deferral of payment within the 30-year period. It is estimated that school district repayments amounting to \$479,053,232 will be repaid of the \$1,104,610,230 estimated debt service as of June 30, 1972, amounting to 43.4 percent since the beginning of the program.

District debt repayments that do not get collected by the State of California within the 30- or 40-year period as determined by the statutes pertinent to deferral of annual payments are to be canceled after the time provided for in the statutes.

EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
TOTALS, EXPENDITURES (Cash Basis)			
Debt service (State School Building Aid Fund) a	\$34,910,170	\$38,999,917	\$41,490,000
Debt service (Public School Building Loan Fund) a	13,385,140	13,675,013	10,600,000
Debt service (General Fund)	47,691,640	49,043,273	58,773,931
Totals (Cash Basis)	\$95,986,950	\$101,718,203	\$110,863,931
General Fund Totals, Expenditures (Cash Basis)	\$47,691,640	\$49,043,273	\$58,773,931
Beginning accrual, July 1 (Interest Expense)	-9,552,722	-9,236,763	-11,707,310
Ending accrual, June 30 (Interest Expense)	9,236,763	11,707,310	10,840,187
General Fund Totals, Expenditures (Accrual Basis)	\$47,375,681	\$51,513,820	\$57,906,808

DEBT SERVICE—CASH BASIS

Fiscal year	Interest	Redemption	Total	District repayments	Other repayments	General Fund net cost
1950-51	\$1,700,084	-	\$1,700,084	-	\$882,216	\$817,868
1951-52	3,351,125	\$1,600,000	4,951,125	\$25,516	2,564,594	2,361,015
1952-53	4,911,250	4,800,000	9,711,250	1,429,144	2,677,049	5,605,057
1953-54	5,809,500	7,200,000	13,009,500	3,677,945	2,823,967	6,507,588
1954-55	7,015,000	8,800,000	15,815,000	5,300,609	3,652,196	6,862,195
1955-56	7,945,977	10,400,000	18,345,977	7,018,887	2,669,349	8,657,741
1956-57	9,038,340	10,600,000	19,638,340	9,454,089	2,780,505	7,403,746
1957-58	10,776,116	14,000,000	24,776,116	12,426,976	2,497,607	9,851,533
1958-59	13,477,634	15,500,000	28,977,634	15,584,844	116,664	13,276,126
1959-60	15,413,500	17,900,000	33,313,500	16,696,925	433,327	16,183,248
1960-61	18,289,625	21,300,000	39,589,625	17,981,133	1,221,851	20,386,641
1961-62	24,457,350	23,100,000	47,557,350	20,816,735	339,459	26,401,156
1962-63	29,074,500	29,200,000	58,274,500	21,451,668	53,240	36,769,592
1963-64	29,898,525	32,800,000	62,698,525	26,670,068	338,922	35,689,535
1964-65	33,626,881	36,400,000	70,026,881	24,086,819	528,626	45,411,436
1965-66	36,874,689	40,800,000	77,674,689	27,508,719	55,515	50,110,455
1966-67	39,422,950	46,000,000	85,422,950	32,848,766	-	52,574,184
1967-68	38,692,775	50,600,000	89,292,775	36,495,749	344,939	52,452,087
1968-69	40,665,325	54,600,000	95,265,325	46,812,935	-	48,452,390
1969-70	38,986,950	57,000,000	95,986,950	48,286,161	9,149	47,691,640
1970-71	40,878,203	60,840,000	101,718,203	52,509,544	165,386	49,043,273
1971-72	42,173,931	68,690,000	110,863,931	51,970,000	120,000	58,773,931

a Bond funds not included in overall budget totals.

Subventions for Education

SCHOOL BUILDING CONSTRUCTION

LINE	FUND CONDITION	ACTUAL 1969-70	ESTIMATED 1970-71	ESTIMATED 1971-72
1	STATE SCHOOL CONSTRUCTION FUND			
2				
3				
4	Beginning surplus, July 1 -----	\$168,102	\$168,462	\$168,462
5	Prior year adjustments -----	360	-	-
6				
7	Adjusted Surplus, July 1 -----	\$168,462	\$168,462	\$168,462
8	Transfers to Other Funds:			
9	State School Construction Fund to California Water Fund ----	-	-	\$168,462
10				
11	Ending Surplus, June 30 -----	\$168,462	\$168,462	-
12				

GENERAL ANALYSIS

The Office of Local Assistance of the Department of General Services, subject to the approval of the State Allocation Board, administers the State Project Area Construction Law. School districts that have enrollment increases attributable to the state's major construction program may apply for interest free

loans subject to criteria in the statutes with repayments collectable over a period of 30 years.

There are no new loans programmed and a section will be added to the 1971 Budget Bill to return the unencumbered balance of the fund to the California Water Fund.

COORDINATING COUNCIL FOR HIGHER EDUCATION

Located at Sacramento

GENERAL ANALYSIS

The Coordinating Council for Higher Education was established under the Donahoe Higher Education Act of 1960. First convened on October 3, 1960, the council performs statutory tasks defined in the Donahoe Act and carries out provisions of the Master Plan for Higher Education as approved December 18, 1959, by the Regents of the University of California and the State Board of Education, then acting for both the public junior colleges and the state colleges. The council is advisory to the Governor, the Legislature, appropriate state officials, and the governing boards of public higher education in California.

The council's functions are as follows:

1. Review the annual support budgets and capital outlay requests of the university and the state colleges and present comments on the general level of support sought.

2. Delineate the different functions of public higher education and advise regarding programs appropriate to each segment.

3. Develop plans for the orderly growth of public higher education and provide recommendations on the need for and location of new facilities and programs.

The council has also been designated as the state commission to administer the following federal pro-

grams: Title I of the Higher Education Facilities Act of 1963 (Construction Grant Program), Title VI-A of the Higher Education Act of 1965 (Equipment Grant Program), Title I of the Higher Education Act of 1965 (Community Services and Continuing Education Program), Higher Education Facilities Comprehensive Planning Program, and Title VIII of the Housing Act of 1964 (Training in Community Development).

The council was formerly an 18-member body composed of six representatives of the general public and 12 representatives of higher education including three each from the following segments: the private colleges and universities; the public community colleges; the state colleges and the University of California. During the 1970 regular legislative session, AB 73 (Veysey) was passed and signed by the Governor, reducing the council membership of the three public segments and of the private colleges and universities from three representatives to one each. In addition to the remaining 10 voting members of the council, the State Board of Education is to be represented by a board member serving in a nonvoting ex officio capacity.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. State Coordination	22.5	17	17	\$482,310	\$397,848	\$423,983
II. Higher Education Facilities and Equipment	6.4	7.2	7.2	165,615	125,000	130,000
III. Higher Education Facilities Comprehensive Planning	3.3	4	4	347,615	255,807	301,933
IV. Community Services and Continuing Education	3.7	4	4	53,394	56,713	56,075
V. Training in Community Development	1	1.5	1.5	26,619	30,212	30,495
NET TOTALS, PROGRAMS	36.9	33.7	33.7	\$1,075,553	\$865,580	\$942,486
General Fund				509,548	432,220	458,000
Federal funds				566,005	433,360	484,486
Disbursements of Federal Funds Not Reported Elsewhere:*						
II. Higher Education Facilities and Equipment				\$6,500,000	\$25,000,000	\$16,869,174
IV. Community Services and Continuing Education				469,416	469,416	460,005
V. Training in Community Development				136,222	136,222	136,222
Totals				\$7,105,638	\$25,605,638	\$17,465,401
TOTALS, COORDINATING COUNCIL FOR HIGHER EDUCATION				\$8,181,191	\$26,471,218	\$18,407,887
General Fund				509,548	432,220	458,000
Federal funds				7,671,643	26,038,998	17,949,887

* These federal funds have not been reported in detailed budget schedules or budget totals, and not included in Reconciliation With Appropriations in the Budget Supplement.

COORDINATING COUNCIL FOR HIGHER EDUCATION—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1							
2	STATE OPERATIONS						
3							
4	PERSONAL SERVICES						
5	Net salaries and wages -----	36.9	33.7	33.7	\$464,388	\$447,043	\$465,106
6	Staff benefits -----	-	-	-	43,265	49,933	53,625
7	Totals, Personal Services -----	36.9	33.7	33.7	\$507,653	\$496,976	\$518,731
8							
9	OPERATING EXPENSES AND EQUIPMENT						
10	General expense -----				\$61,556	\$54,082	\$61,570
11	Travel -----				37,800	29,475	30,726
12	Facilities expense -----				35,881	35,606	35,102
13	Contractual services -----				427,653	248,070	296,257
14	Equipment -----				5,010	1,371	100
15	Totals, Operating Expenses and Equipment -----				\$567,900	\$368,604	\$423,755
16							
17	Total Expenditures, State Operations -----				\$1,075,553	\$865,580	\$942,486
18	General Fund -----				509,548	432,220	458,000
19	Federal funds -----				566,005	433,360	484,486
20							
21							
22							
23	APPROPRIATIONS						
24							
25	Support, Item 280 (General Fund) -----						\$458,000
26	Grants (Federal funds) -----						484,486
27							

WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION

GENERAL ANALYSIS

The Western Interstate Commission for Higher Education (WICHE) is a public, nonprofit agency created by 13 western states through an interstate compact ratified in 1953. The purpose of this compact is to encourage the participating states to cooperate

in providing acceptable and efficient educational facilities to meet their higher educational needs. WICHE is composed of 39 commissioners, three from each state, appointed for four-year terms by their Governors.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
I. Western Interstate Commission for Higher Education Program -----	\$15,000	\$15,000	\$15,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Acting on the advice of the Governor, the Legislature approved Item 86 of the Budget Act of 1970 authorizing California to maintain its membership in WICHE. By letter of July 20, 1970 the Governor notified WICHE and rescinded his notice of September

5, 1969 made pursuant to the Budget Act of 1969 which stated that California intended to withdraw from the interstate compact effective June 30, 1971. As a result, California will be able to continue to participate in this cooperative effort of the 13 western states.

RECAPITULATION BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
STATE OPERATIONS			
Western Interstate Commission for Higher Education -----	\$15,000	\$15,000	\$15,000
APPROPRIATION			
Support, Item (General Fund) -----			\$15,000

AUGMENTATION FOR HIGHER EDUCATION—CAPITAL OUTLAY

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	Augmentation of Capital Outlay Fund for Public Higher Edu-			
2	cation -----	\$6,000,000	\$70,000,000	\$10,000,000
3	Transfer to Capital Outlay Fund for Public Higher Education			
4	(General Fund) -----	-6,000,000	-70,000,000	-10,000,000
5				
6	TOTALS, EXPENDITURES, CAPITAL OUTLAY -----	-	-	-
7	General Fund -----	6,000,000	70,000,000	10,000,000
8	Capital Outlay Fund for Public Higher Education -----	-6,000,000	-70,000,000	-10,000,000
9				

GENERAL ANALYSIS

For the past years, 1968-69, 1969-70 and minor projects in 1970-71, funds for the capital outlay programs for the University of California and the California State Colleges have been dependent upon two sources, the General Fund and the Capital Outlay Fund for Public Higher Education. In order to simplify accounting and budgeting procedures the capital outlay programs for the two segments were appropriated from the Capital Outlay Fund for Public

Higher Education. Lump sum appropriations from the General Fund made in 1968-69 and 1969-70 made funds available for transfer to the Capital Outlay Fund for Public Higher Education to provide the balance of funds needed to finance the capital outlay programs in those years.

Indicated above are the actual and estimated cash requirements needed from the General Fund.

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UNIVERSITY OF CALIFORNIA

GENERAL ANALYSIS

The University of California is the State University and the land-grant institution of the State of California. It was established by the Organic Act of 1868, and was written into the State Constitution of 1879 as a public trust, to be administered under the authority of an independent governing board—The Regents of the University of California. The Board of Regents includes 24 members; 8 ex officio and 16 appointed by the Governor for staggered 16-year terms.

The administrative structure of the University is headed by a president who is responsible for overall policy development, planning, and resource allocations. Chancellors have primary responsibility for the management of campus resource allocations and the development of proposed long-range capital, fiscal and academic plans as well as campus administrative activities.

The regents have delegated authority to the Academic Senate to determine conditions for admission (subject to constraints of the Master Plan for Higher Education), degree requirements, and approval of courses and curricula. Special faculty committees serve in an advisory capacity to the regents, the president and chancellors in a variety of matters.

There are currently nine campuses eight of which are designated as general campuses offering undergraduate and graduate liberal arts instruction and professional training. Each of the nine campuses offers certain programs unique within the University. Educational innovation, both on older and newer campuses,

has characterized the University during the 1960's. To counter the impersonality which is frequently a disadvantage of large campus enrollments, the new San Diego and Santa Cruz campuses have been planned on the "cluster college" principle. At the other new campus, Irvine, the academic program is being developed on broad interdisciplinary lines, with an emphasis on independent study. In the health sciences the University is simultaneously developing three new medical schools, an effort unique in the history of health science education.

A master plan for the development of higher education in California was passed by the Legislature in 1960 and is referred to as the "Donahoe Higher Education Act." This act defines responsibilities of the three segments of public higher education, the University of California, the California State Colleges, and the Community Colleges. The master plan recommends that freshmen admissions to the University be limited to the top 12½ percent of California high school graduates. The Donahoe Act states that the University of California will be the primary state-supported academic agency for research and that the University has exclusive jurisdiction in public higher education over instruction in the professions of law, medicine, dentistry, and veterinary medicine. Sole authority is also vested in the University to award doctoral degrees in all fields, except that joint doctoral degrees with the state colleges may be awarded.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	AMOUNT OF CHANGE
	69-70	70-71	71-72				
Instruction and Departmental							
Research:							
General campus	10,666.72	11,338.83	11,089.83	\$135,530,959	\$148,607,130	\$144,924,491	-\$3,682,639
Health sciences	2,584.74	2,976.98	2,914.98	41,422,495	46,928,976	47,912,235	983,259
Summer session	43.15	438.81	471.48	1,196,016	4,361,429	4,836,669	475,240
Summer quarter	676.88	-	-	10,914,421	-	-	-
Organized Research:							
General campus and University							
programs	3,095	2,762.07	2,576.07	38,572,052	40,788,590	38,015,618	-2,772,972
Health sciences	156.79	136.42	127.42	3,543,782	3,171,597	3,019,318	-152,279
Extension and Campus Public							
Service:							
University extension	1,224.65	1,376.41	1,449.61	17,103,539	20,492,885	22,060,868	1,567,983
Campus public service	238.27	109.23	108.23	3,768,288	2,640,456	2,656,216	15,760
Agricultural extension	644.11	664.45	611.45	10,141,703	10,628,639	9,963,800	-664,839
Organized Activities:							
General campus	240.05	247.59	241.59	2,499,743	2,803,039	2,827,205	24,166
Health sciences	397.94	465.29	484.29	5,038,314	4,244,973	4,725,446	480,473
Teaching hospitals	7,866.41	7,333.82	7,911.32	68,553,594	86,048,695	95,569,615	9,520,920
Libraries	2,186.89	2,093.03	2,033.03	25,478,049	26,798,373	26,040,746	-757,627
Maintenance and operation of plant	3,394.33	3,000.34	3,000.34	33,349,517	32,123,588	33,127,802	1,004,214
General administration	2,175	2,346.28	2,324.28	22,395,635	25,035,709	24,682,926	-352,783
Institutional services and general							
expense	2,106.95	2,580.39	2,552.39	11,506,261	15,447,500	15,390,660	-56,840
Student services	2,017.10	2,117.62	2,186.62	23,611,078	25,229,235	26,344,031	1,114,796
Staff benefits	-	-	-	28,502,582	29,657,666	30,658,000	1,000,334
Provisions	-	8	8	-	-5,606,752	3,126,289	8,733,041
Auxiliary enterprises	1,860.27	1,875.59	1,913.55	34,221,786	43,424,230	46,745,054	3,320,824
Student aid	-	-	-	9,281,975	6,292,237	6,483,905	191,668
Special regents' program	-	-	-	8,397,703	18,761,000	14,689,000	-4,072,000
TOTALS, BUDGETED							
PROGRAMS	41,075.25	41,871.15	42,004.48	\$535,029,492	\$587,879,195	\$603,799,894	\$15,920,699

UNIVERSITY OF CALIFORNIA—Continued

LINE	PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	AMOUNT OF CHANGE
1	Reimbursements:				
2	Nonstate University general funds -----	-30,480,916	-30,229,117	-34,140,165	-3,911,048
3	University restricted resources -----	-174,988,504	-219,576,583	-232,336,234	-12,759,651
4					
5	NET TOTALS, STATE FUNDED PROGRAM -----	\$329,560,072	\$338,073,495	\$337,323,495	-
6	State General Funds -----	329,334,145	337,090,295	337,090,295	-
7	California Water Fund -----	92,727	100,000	100,000	-
8	Real Estate Education, Research and Recovery Fund -----	133,200	133,200	133,200	-
9	Motor Vehicle Fund -----	-	750,000	-	-750,000
10					
11	UNIVERSITY OF CALIFORNIA FISCAL PROGRAM				
12	Budgeted Program:				
13	State funded -----	\$329,560,072	\$338,073,495	\$337,323,495	-\$750,000
14	University general funds -----	30,480,916	30,229,117	34,140,165	3,911,048
15	University restricted funds -----	174,988,504	219,576,583	232,336,234	12,759,651
16					
17	Totals, Budgeted Program -----	\$535,029,492	\$587,879,195	\$603,799,894	\$15,920,699
18	Extramural Program:				
19	Sponsored and other restricted activities -----	205,071,154	212,306,556	222,501,181	10,194,625
20	Major Atomic Energy Commission supported laboratories -----	292,087,729	292,088,000	292,088,000	-
21					
22	GRAND TOTALS, ALL PROGRAMS -----	\$1,032,188,375	\$1,092,273,751	\$1,118,389,075	\$26,115,324

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The University is charged with higher education programs of instruction, research, and public service. The state's first priority in providing funding is for the instruction of qualified students. It is primarily in the instructional area that both state and University officials have expressed serious concerns regarding faculty productivity. With increased productivity, the proposed 1971-72 state General Fund appropriation of \$337,090,295 will provide the teaching resources required to maintain the quality of the University's educational performance. While this state appropriation is approximately the same as the current year, the University's total budgeted programs have increased by 2.9 percent to \$603,799,894.

In the general discussion of higher education at the start of this document, mention was made of current effort by several different groups to review faculty productivity measures. An historic standard for the University has been nine hours of classroom instruction per faculty member each quarter or semester. Using the option of budgeting at this standard, all state supported University programs could be funded at existing or improved levels from the current resources base. To minimize possible faculty dislocation, however, the University has chosen, as described below, to modify other state-funded functions. Nevertheless, the proposed budget represents the first step in bringing the University back to an instructional productivity level predicated on the historic standard of nine teaching hours of classroom instruction per faculty member.

The budgeted FTE enrollment will increase by 4,326 (4.3 percent), from 101,733 in 1970-71 to 106,059 in 1971-72. As in the past, the University will admit all qualified undergraduate applicants and graduate enrollment on the general campuses will increase to 25,058, a 2.5 percent increase over the current fiscal year. In the health sciences, enrollments will increase significantly, from 6,953 in 1970-71 to 7,618 in 1971-72 (9.6 percent).

Instruction and Departmental Research

To accommodate to the proposed level of state dollar appropriation and increased enrollments, the University has initiated studies to seek methods of more effective manpower and other resource utilization. These studies are expected to throw additional light on meeting instructional commitments.

At the present time, however, and using instructional workload data furnished by the University, it appears that the presently authorized faculty positions are more than adequate for the projected enrollment increase for 1971-72. An analysis of regular faculty productivity in lecture and laboratory setting, using University fall 1969 workload data, shows that for each faculty contact hour, 33 student credit hours resulted. If this same level of productivity were achieved by regular faculty, meeting students nine hours each week in lecture and laboratory setting, the currently authorized faculty would appear to be more than is required to staff the campuses. While the budget does not require substantial reductions of existing faculty, it does propose that the faculty be reduced through normal attrition by 100 general campus positions.

Instructional support will be held to 5 percent below the 1970-71 level. The student/faculty ratio will increase from 16.48 in 1970-71 to 17.42 in 1971-72. With no additional teaching assistants in 1971-72, the ratio of undergraduate students to teaching assistants will increase from 42.68 to 44.53.

Health Science programs will accept 665 FTE (+9.6 percent) additional students with an 18.9 FTE increase in faculty. This will increase student/faculty ratios by the same percentage as general campus ratios, 5.7 percent. Instructional support will be reduced 5 percent below the current level. The net result of the adjustments is an increase of \$100,000 in health science instructional programs.

UNIVERSITY OF CALIFORNIA—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

Teaching Hospitals

A \$1,091,729 increase in general purpose expenditures is included in the proposed Governor's Budget. This increase is funded from anticipated additional recovery of Medicare/Medi-Cal income which would be treated as a General Fund resource to the University. Inpatient days of care will increase from 267,639 to 317,294 (+18.6 percent) in 1971-72 and outpatient visits will increase from 435,268 to 467,586 (+7.4 percent). State support will decline from \$28.13 to \$26.00 per inpatient day and from \$8.97 to \$8.28 per outpatient visit.

Organized Activities

There will be a \$219,251 (+19 FTE) increase in dental clinic subsidy for the *Health Sciences*; however state funded general campus organized activities will decline by \$63,557.

Organized Research

The high priority of state funding for the instructional program has implications for the funding of organized research, even though the great bulk of support for research comes from other than state support. Giving effect to the priorities of instruction, therefore, entails an overall shift of \$2,992,123 from organized research support by general purpose funds, and a potential reduction of 195 FTE academic and staff personnel. While all organized research programs will be affected, 110 positions are likely to be reduced in agriculture. If it becomes possible for the University to offset the reduction from current state funding by changes in its internal priorities, a reallocation of its other resources to research on the environment, transportation, oceanography and health problems, can moderate the impact.

Libraries

The general purpose expenditures for the library budget will be reduced approximately 3 percent below the existing level or \$757,627. Library acquisitions will decline by 6 percent (34,000 volumes) below the current level due to reductions in the book budget and price increases. Current staffing will be reduced by approximately 60 FTE acquisitions staff personnel.

Public Service

Campus public service (\$9,912) programs and Agricultural Extension (\$664,839) will be reduced 8 percent below the current level, which will require the deletion of approximately 54 FTE positions.

Maintenance and Operation of Plant

A \$1,002,239 increase is provided to cover increased costs for utilities and refuse disposal. The outside gross square feet of building area to be maintained will increase by 4.4 percent and the overall unit cost will be \$1.18 in 1971-72, compared to \$1.09 per square foot in 1970-71. Workload increases relating to the increase in building area will be absorbed by existing staff.

General Administration and Institutional Services

Administration and related services will be reduced by \$655,792 (65 FTE) below 1970-71.

Also included in the budget total is \$1.4 million for an increase in the employer's contribution for health insurance to \$12 per month which must be funded by a special budgeting savings requirement; \$651,000 to cover increases in insurance premiums; \$6,351,000 for merit increases and promotions, \$9.4 million budgetary savings, an increase in nonresident tuition from \$1,200 to \$1,500, an increase in the nonrefundable application fee from \$10 to \$20, and \$172,230 to cover tuition and fee waivers required by statute.

UNIVERSITY OF CALIFORNIA—Continued

		Total Expenditures—Budgeted Programs			General Purpose Expenditures			Restricted Purpose Expenditures		
		Actual	Budgeted	Proposed	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
		1969-70	1970-71	1971-72	1969-70	1970-71	1971-72	1969-70	1970-71	1971-72
Instruction and Departmental Research:										
1	General campuses	\$135,530,959	\$148,607,130	\$144,924,491	\$130,769,193	\$143,609,762	\$140,068,424	\$4,761,766	\$4,997,368	\$4,856,067
2	Health sciences	41,422,495	46,928,976	47,912,235	38,206,060	42,025,771	41,866,370	3,216,435	4,903,205	6,065,865
3	Summer session	1,196,016	4,361,429	4,836,669	—	—	—	1,196,016	4,361,429	4,836,669
4	Summer quarter	10,914,421	—	—	9,555,717	—	—	1,358,704	—	—
5	Organized Research:									
6	General campus	38,572,052	40,788,590	38,015,618	34,517,686	36,332,544	33,492,700	4,054,366	4,456,046	4,522,918
7	Health sciences	3,543,782	3,171,597	3,019,318	2,093,078	1,829,279	1,677,000	1,450,704	1,342,318	1,342,318
8	Extension and Campus Public Services:									
9	University extension	17,103,539	20,492,885	22,060,868	—	—	—	17,103,539	20,492,885	22,060,868
10	Campus public services	3,768,288	2,640,456	2,656,216	776,257	127,912	118,000	2,992,031	2,512,544	2,538,216
11	Agricultural extension	10,141,703	10,628,639	9,963,800	7,847,000	8,314,839	7,650,000	2,294,703	2,313,800	2,313,800
12	Organized Activities:									
13	General campus	2,499,743	2,803,039	2,827,205	752,803	827,557	764,000	1,746,940	1,975,482	2,063,205
14	Health sciences	5,038,314	4,244,973	4,725,446	946,346	869,749	1,089,000	4,091,988	3,375,224	3,636,446
15	Teaching hospitals	68,553,594	86,048,695	95,569,615	11,421,850	12,221,271	13,313,000	57,131,744	73,827,424	82,276,615
16	Libraries	25,478,049	26,798,373	26,040,748	25,162,265	26,551,865	25,794,238	315,734	246,508	246,508
17	Maintenance and operation of plant	33,349,517	32,123,588	33,127,802	33,312,966	32,035,181	33,037,420	36,551	88,407	190,382
18	General administration	22,395,635	25,035,709	24,682,926	21,365,565	23,491,610	23,127,567	1,030,070	1,544,099	1,555,359
19	Institutional services and general expense	11,506,261	15,447,500	15,390,660	8,028,899	10,621,904	10,330,155	3,477,362	4,825,536	5,060,505
20	Student services	23,611,078	25,229,235	26,344,031	6,271,119	6,876,773	7,065,566	17,339,959	18,352,482	19,278,465
21	Staff benefits	28,502,582	29,657,666	30,658,000	28,474,088	29,611,666	30,612,000	28,494	46,000	46,000
22	Provisions	—	—	3,126,289	—	—	1,235,020	—	2,421,519	1,891,269
23	Auxiliary enterprises	34,221,786	43,424,230	46,745,054	—	—	—	34,221,786	43,424,230	46,745,054
24	Student aid	9,281,975	6,292,237	6,483,905	314,169	—	—	8,967,806	6,292,237	6,483,905
25	Special regents' programs	8,397,703	18,761,000	14,689,000	—	—	—	8,397,703	18,761,000	14,689,000
26	TOTALS, BUDGETED PROGRAMS	\$535,029,492	\$587,879,195	\$603,799,894	\$359,815,061	\$367,319,412	\$371,230,460	\$175,214,431	\$220,559,783	\$232,569,434
27	State funded	929,560,072	938,073,495	937,323,495	929,334,145	937,090,295	937,090,295	225,927	983,200	233,200
28	University general funds	30,480,916	30,229,117	34,110,165	30,480,916	30,229,117	34,110,165	—	—	—
29	University restricted funds	174,988,504	219,576,583	232,336,234	—	—	—	174,988,504	219,576,583	232,336,234

UNIVERSITY OF CALIFORNIA—Continued

AVERAGE ANNUAL STUDENT ENROLLMENT

UNIVERSITY OF CALIFORNIA

1951-52 THROUGH 1970-71 (HEADCOUNT)

YEAR	LOWER DIVISION		UPPER DIVISION		GRADUATE		TOTAL	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT INCREASE
1951-52	10,538	31.4	14,269	42.6	8,774	26.0	33,581	-
1952-53	10,872	33.4	13,184	40.6	8,438	26.0	32,494	-3.2
1953-54	11,248	34.7	12,523	38.6	8,681	26.7	32,452	-0.1
1954-55	12,132	35.1	13,647	39.4	8,802	25.2	34,581	6.6
1955-56	13,073	34.9	14,960	39.9	9,385	25.2	37,418	8.2
1956-57	13,130	33.3	16,607	42.2	9,665	24.5	39,402	5.3
1957-58	13,031	31.8	17,770	43.4	10,181	24.8	40,982	4.0
1958-59	13,349	31.8	17,468	41.4	11,319	26.8	42,226	3.0
1959-60	14,202	32.5	17,379	39.7	12,167	27.8	43,748	3.6
1960-61	16,273	33.7	17,389	35.9	14,692	30.4	48,354	10.5
1961-62	18,414	34.8	18,072	34.1	16,475	31.1	52,961	9.5
1962-63	19,342	33.8	19,779	34.6	18,062	31.6	57,183	8.0
1963-64	21,327	33.7	21,741	34.4	20,220	31.9	63,288	10.7
1964-65	22,810	32.6	24,775	35.4	22,418	32.0	70,003	10.6
1965-66	26,274	33.9	26,963	34.5	25,451	31.6	78,688	11.6
1966-67	27,045	32.1	30,316	35.9	26,986	32.0	84,347	7.2
1967-68	29,729	31.3	35,299	37.2	29,833	31.5	94,861	12.5
1968-69	30,669	30.1	39,405	38.6	31,959	31.3	102,033	7.6
1969-70 (Actual)	31,898	29.1	43,661	39.8	34,082	31.1	109,641	7.5
1970-71 (Revised)	31,600	29.5	43,497	40.7	31,851	29.8	106,948	-2.6
1971-72 (Estimated)	32,180	29.1	44,923	40.6	33,483	30.3	110,586	4.0

EXPENDITURES NOT INCLUDED IN OVERALL BUDGET TOTALS

EXPENDITURES	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	AMOUNT OF CHANGE
Expenditures by Function:				
General administration	\$443,948	\$190,825	\$191,850	\$1,025
Instruction and departmental research	19,663,675	19,781,650	20,946,675	1,165,025
Summer session	66,939	425	450	25
Organized activities	2,291,650	1,953,675	2,029,750	76,075
Teaching hospitals	2,021,970	614,000	627,000	13,000
Organized research	136,180,337	145,010,806	152,556,381	7,545,575
Libraries	1,300,642	1,324,750	1,437,800	113,050
Extension and public service	15,126,129	16,277,050	16,510,725	233,675
Maintenance and operation of plant	254,377	29,450	32,475	3,025
Student services	505,625	508,000	530,225	22,225
Institutional service and general expenditures	1,507,783	530,700	547,050	16,350
Auxiliary enterprises	173,669	138,225	141,800	3,575
Student aid	25,534,410	25,947,000	26,949,000	1,002,000
Totals	\$205,071,154	\$212,306,556	\$222,501,181	\$10,194,625
Major Atomic Energy Commission supported laboratories	292,087,729	292,088,000	292,088,000	-
TOTALS	\$497,158,883	\$504,394,556	\$514,589,181	\$10,194,625
Funds:				
State of California	3,415,012	4,033,200	4,201,200	168,000
U.S. government agreements	171,094,035	182,038,156	191,208,381	9,170,225
Gifts and private grants	17,203,326	19,439,200	19,932,800	493,600
University funds	13,358,781	6,796,000	7,158,800	362,800
Totals	\$205,071,154	\$212,306,556	\$222,501,181	\$10,194,625
Major AEC—supported laboratories	292,087,729	292,088,000	292,088,000	-
Totals	\$497,158,883	\$504,394,556	\$514,589,181	\$10,194,625

SPONSORED AND OTHER RESTRICTED ACTIVITIES

The 1971-72 budget includes \$222.5 million in extramural funds provided by federal, state, municipal and private agencies through grants, contracts and special appropriations. Nearly 70 percent of these funds are expected to be directed toward research projects; 12 percent supports student aid, 9 percent supports projects related to the instruction program and the remainder is related to other University programs.

These extramural funds are a part of the various

programs of the University, and are provided in the form of specific awards with definite restrictions on use. These funds are thus not interchangeable with budgeted funds. Although support for these projects must be used for purposes specified by the supporting agencies, the University's instruction, research and public service programs derive benefits of significant importance because of the close relationship between objectives of these programs and the extramurally funded programs.

UNIVERSITY OF CALIFORNIA—Continued

LINE	PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
1	SPONSORED AND OTHER RESTRICTED ACTIVITIES—Continued				
2					
3	Continuing program costs (University resources)	\$205,071,154	\$212,306,556	\$222,501,181	
4					
5	MAJOR ATOMIC ENERGY COMMISSION SUPPORTED LABORATORIES				
6					
7					
8	The 1971-72 budget includes approximately \$292 million to be provided by the United States Atomic Energy Commission to support the operation of the AEC laboratories. These are the Lawrence Radiation Laboratory at sites in Berkeley and Livermore, the Los Alamos Scientific Laboratory in New Mexico and the Laboratory of Nuclear Medicine and Radiation Biology in Los Angeles.				
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27	Continuing program cost (University resources)	\$292,087,729	\$292,088,000	\$292,088,000	
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31	SPECIAL REGENTS' PROGRAMS				
32					
33	As required by Assembly Concurrent Resolution No. 66 of the 1967 legislative session the following report is made on the Special Regents' Programs. These special projects of the regents are to be financed				
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45	Student Aid:				
46	Graduate	\$717,523	\$500,000	\$500,000	-
47	Undergraduate	1,016,432	1,197,000	1,296,000	\$99,000
48	Loans	(954,344)*	1,155,000	1,105,000	-50,000
49	Grants-in-aid	-	5,000,000	5,367,000	367,000
50	President's Work-Study Program	-	1,500,000	1,549,000	49,000
51	Berkeley Ph.D. Program	100,000	100,000	100,000	-
52					
53	Student Aid Totals	\$1,833,955	\$9,452,000	\$9,917,000	\$465,000
54	Educational Enrichment:				
55	Innovative projects	583,230	300,000	300,000	-
56	Lawrence Hall of Science	100,000	100,000	100,000	-
57	Special library collections	335,717	250,000	250,000	-
58	Inter-campus Exchange Program	287,128	400,000	445,000	45,000
59	Education Abroad Program	146,490	150,000	150,000	-
60	Educational Opportunity Program	863,137	900,000	900,000	-
61	Community Service Project offices	124,377	245,000	245,000	-
62	Ethnic Studies Program	603,571	500,000	595,000	95,000
63	Regents undergraduate instruction improvement grants	-	-	300,000	300,000
64	Arts and lectures	-	-	205,000	205,000
65					
66	Educational Enrichment Totals	\$3,043,650	\$2,845,000	\$3,490,000	\$645,000
67	Faculty Study:				
68	Creative Arts Institute	96,756	50,000	50,000	-
69	Institute for Humanities	236,791	150,000	150,000	-
70	Summer faculty fellowships	104,400	135,000	157,000	22,000
71	Emergency needs—new faculty	400,277	-	-	-
72					
73	Faculty Study Totals	\$888,224	\$335,000	\$357,000	\$22,000
74	Management studies	229,373	75,000	75,000	-
75	President's provision for contingencies	-	500,000	500,000	-
76	President's unallocated	-	100,000	100,000	-
77	Allocations for urgent needs	2,452,501	5,454,000	250,000	-5,204,000
78					
79	TOTALS, EXPENDITURES	\$8,897,703	\$18,761,000	\$14,689,000	-\$4,072,000
80					
81	* Allocations for loans not included in expenditure total.				
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UNIVERSITY OF CALIFORNIA—Continued

LINE	PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
1					
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4					
5	Estimated Receipts:				
6	AEC contracts	\$2,450,000	\$2,450,000	\$2,450,000	
7	Other federal contract	8,280,106	9,145,000	9,765,000	
8	Federal grants	18,508,679	20,355,000	21,735,000	
9	Totals, Estimated Receipts	\$29,238,785	\$31,950,000	\$33,950,000	
10	Deduct Overhead Assigned:				
11	Administration of grants and contract activity	\$1,923,368	\$2,362,401	\$2,490,716	
12	Washington office	66,210	96,009	96,009	
13	Indirect cost studies office	82,364	77,628	76,313	
14	Allowance for disallowed claims	44,018	-	-	
15	Totals, Overhead Assigned	\$2,115,960	\$2,536,038	\$2,663,038	
16	Available for Allocation	\$27,122,825	\$29,413,962	\$31,286,962	
17					
18					
19					
20	Allocations:				
21	Contributions to operating budget	\$7,732,685	\$9,931,159	\$12,976,633	
22	Contribution to subsequent year operating budget ^a	4,613,369	2,202,624	-	
23	Reservation for overestimates	-	1,348,198	1,441,848	
24	Financing of regents' capital outlay projects ^b	6,221,125	2,450,000	2,450,000	
25	Totals, Allocations	\$18,567,179	\$15,931,981	\$16,868,481	
26	Receipts Available for regents' special programs	8,555,646	13,481,981	14,418,481	
27	Add: investment and other income	2,936,234	3,917,000	3,917,000	
28	Totals Available for Regents' Special Programs	\$11,491,880	\$17,398,981	\$18,335,481	
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INCOME AND FUNDS AVAILABLE (BUDGETED)

	INCOME AND FUNDS AVAILABLE	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	AMOUNT OF CHANGE
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^a \$4,613,369 carried over from 1969-70. \$2,476,000 used to fund 1970-71 operating budget, and \$2,137,369 used to fund 1971-72 operating budget.

^b Use reported in University capital outlay budget.

UNIVERSITY OF CALIFORNIA—Continued

LINE	INCOME AND FUNDS AVAILABLE	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	AMOUNT OF CHANGE
1	INCOME AND FUNDS AVAILABLE (BUDGETED)—Continued				
2	UNIVERSITY SOURCES—Continued				
3	Restricted Funds—Current—Continued				
4	Organized Activities—Educational:				
5	Teaching hospital -----	59,512,523	73,752,315	82,181,496	8,429,181
6	Other -----	1,488,969	4,491,721	4,800,069	308,348
7	Gifts and private grants -----	69,394	79,000	34,000	-45,000
8	Other sources -----	5,870,607	5,695,635	5,951,086	255,451
9	Endowments:				
10	Educational and general -----	4,897,005	6,256,365	6,559,822	303,457
11	Student aid -----	2,113,500	1,683,039	1,756,807	71,768
12	TOTALS, RESTRICTED FUNDS—CURRENT -----	\$129,650,070	\$153,672,473	\$167,067,411	\$13,394,938
13	Auxiliary Enterprises:				
14	Regular income -----	\$33,484,300	\$42,832,031	\$46,152,855	\$3,320,824
15	Student fees -----	922,408	590,870	590,870	-
16	Funds Used as Income:				
17	Contract and Grant Overhead:				
18	General funds—current -----	\$7,732,685	\$12,407,159	\$12,976,633	\$569,474
19	General funds—prior year -----	2,074,051	2,452,662	2,137,369	-315,293
20	Restricted funds—current -----	2,092,021	2,536,038	2,663,038	127,000
21	Prior year General Fund balance -----	3,586,574	567,948	538,123	-29,825
22	General Fund balance to fund 1971-72 -----	-538,123	-	-	-
23	Other general funds -----	212,055	-121,349	307,000	428,349
24	Restricted fund balances -----	442,002	1,184,171	1,173,060	-11,111
25	TOTAL FUNDS USED AS INCOME -----	\$15,601,265	\$19,026,629	\$19,795,223	\$768,594
26	Special regents' programs -----	8,397,703	18,761,000	14,689,000	-4,072,000
27	TOTALS, UNIVERSITY SOURCES -----	\$205,469,420	\$249,805,700	\$266,476,399	\$16,670,699
28	TOTALS, INCOME AND FUNDS AVAILABLE -----	\$535,029,492	\$587,879,195	\$603,799,894	\$15,920,699
29	SUMMARY BY OBJECT				
30	PERSONNEL MAN-YEARS		ACTUAL	ESTIMATED	PROPOSED
31	69-70 70-71 71-72		1969-70	1970-71	1971-72
32	STATE OPERATIONS				
33	Budgeted Programs				
34	PERSONAL SERVICES				
35	Authorized positions -----	39,214.98	39,995.56	39,995.56	\$377,745,580
36	Totals, Adjustments -----	-	-	95.37	\$414,627,099
37					\$420,978,099
38	Totals, Salaries and Wages -----	39,214.98	39,995.56	40,090.93	\$421,973,671
39	Estimated salary savings -----	-	-	-	-9,588,000
40					-7,990,000
41	Net Totals, Salaries and Wages -----	39,214.98	39,995.56	40,090.93	\$405,039,099
42	Staff benefits -----	-	-	-	\$413,983,671
43					29,410,872
44					29,657,666
45	Totals, Personal Services -----	39,214.98	39,995.56	40,090.93	\$444,641,671
46	Operating expenses and equipment -----	-	-	-	\$434,696,765
47					185,612,057
48					202,333,685
49	Totals, Expenditures -----	-	-	-	\$413,983,671
50	Reimbursements—other -----	-	-	-	\$657,886,969
51					-109,699,590
52	Net Expenditures -----	-	-	-	\$519,401,728
53					\$535,881,935
54	SPECIAL ITEMS OF EXPENSE				
55	Auxiliary enterprises -----	1,860.27	1,875.59	1,913.55	\$34,221,786
56	Student aid -----	-	-	-	\$43,424,230
57	Special regents' programs -----	-	-	-	\$46,745,054
58					9,341,084
59					6,292,237
60					18,761,000
61	TOTALS, BUDGETED				
62	PROGRAMS -----	41,075.25	41,871.15	42,004.48	\$535,029,492
63					\$587,879,195
64					\$603,799,894

UNIVERSITY OF CALIFORNIA—Continued

LINE	SUMMARY BY OBJECT	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1				
2	STATE OPERATIONS—Continued			
3				
4	Budgeted Programs—Continued			
5				
6	State Funds:			
7	General Fund -----	329,334,145	337,090,295	337,090,295
8	California Water Fund -----	92,727	100,000	100,000
9	Real Estate Education, Research and Recovery Fund -----	133,200	133,200	133,200
10	Motor Vehicle Fund -----	-	750,000	-
11	University Resources:			
12	Federal appropriations -----	4,073,874	4,067,708	3,714,708
13	University resources -----	201,395,546	245,737,992	262,761,691
14				
15	Extramural Programs			
16				
17	SPECIAL ITEMS OF EXPENSE			
18	Sponsored and other restricted activities -----	\$205,071,154	\$212,306,556	\$222,501,181
19	Special federal research projects -----	292,087,729	292,088,000	292,088,000
20				
21	TOTALS, EXTRAMURAL PROGRAMS -----	\$497,158,883	\$504,394,556	\$514,589,181
22	University Resources:			
23	Federal Funds:			
24	Special research projects -----	292,087,729	292,088,000	292,088,000
25	Other federal projects -----	171,094,035	182,038,156	191,208,381
26	Other University resources -----	33,977,119	30,268,400	31,292,800
27				
28	APPROPRIATIONS			
29				
30	Support, Item 282 (General Fund) -----			\$336,540,195
31	Support, Psychiatric Instruction Program,			
32	Item 283 (General Fund) -----			150,000
33	Support, research in the conversion of sea water,			
34	Item 284 (General Fund) -----			308,100
35	Support, research in dermatology, Item 285 (General Fund) -----			92,000
36	Support, research in mosquito control, Item 286 (California			
37	Water Fund) -----			100,000
38	Other:			
39	Allocation from Real Estate Education, Research and Recovery			
40	Fund -----			133,200
41	University Funds:			
42	General purpose funds -----			34,140,165
43	Restricted purpose funds -----			232,336,234
44				
45	TOTALS, BUDGETED PROGRAMS -----			\$603,799,894

University of California—Capital Outlay

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
51				
52				
53	Major Projects:			
54	General campuses -----	\$35,250,851	\$9,725,434	\$19,700,690
55	Health sciences -----	13,218,393	13,384,925	22,688,000
56	Minor Projects -----	2,008,000	1,913,220	2,014,000
57				
58	Totals, Expenditures -----	\$50,477,244	\$25,023,579	\$44,402,690
59	Capital Outlay Fund for Public Higher Education -----	29,767,753	-8,439,255	-
60	State Construction Program Fund -----	-1,190,093	10,848,434	-
61	Educational fee funds -----	-	9,957,400	23,900,000
62	Nonstate funds -----	14,726,168	3,401,000	4,739,000
63	Federal funds -----	4,087,221	8,242,000	14,356,000
64	University overhead funds -----	3,086,195	1,014,000	1,407,690
65				
66				
67				
68				
69				
70				
71				
72				

GENERAL ANALYSIS

The University of California is a statewide institution of higher education with the following major functions:

1. Instruction

a. Broadly based instruction leading to the baccalaureate degrees,

b. Graduate programs leading to master's degrees and doctoral degrees, and programs of postdoctoral instruction,

c. Instruction in professional fields,

d. Programs for the preparation of teachers, and

e. Joint doctoral programs with the state colleges.

UNIVERSITY OF CALIFORNIA—Continued

University of California—Capital Outlay—Continued

GENERAL ANALYSIS—Continued

2. Research

The University is designated by the Master Plan for Higher Education in California as the primary state-supported academic agency for research, both basic and applied, and as the primary public repository for scarce documents and other unique library resources needed for the doctor's degree and for research programs.

3. Public Service

Expert public service in areas related to the University's programs of instruction and research.

The University of California has nine campuses, including eight general campuses with wide ranges of academic programs and a specialized campus at San Francisco with schools of medicine, pharmacy, dentistry, and nursing.

The University's general campuses have facilities with a total area of 15,563,611 assignable square feet, excluding health sciences and residential facilities and the federal constructed radiation laboratories at Berkeley and Livermore. Following is a distribution of the total by type of room:

	Percent of Total
Classrooms	4.8
Class laboratories and services rooms	11.3
Research laboratories and service rooms	17.2
Offices and service rooms	24.2
Libraries	10.5
Gymnasias and auditoria	5.2
Shops and storage areas	11.4
Field buildings	3.9
Other (food service, student health, etc.)	11.5
	100.0

Fund Sources

The 1971-72 fiscal year program is to be financed principally from the Educational Fee resources initially established by the Regents to be effective in the 1970-71 fiscal year. The \$23,900,000 Educational Fee funded program has not been reviewed by the Regents as they have not met in formal session since it was developed. Within the resource limitation, if the program is modified by Regental action it will be brought to the attention of the Legislature.

Projects whose nonstate sources are federal funds require some state funds because of fund-matching provisions of nearly all grant programs, but several types of projects are scheduled to be financed entirely from nonstate funds other than federal. Some are to

As the rooms in which scheduled class instruction is held, classrooms and class laboratories receive considerable attention, but they actually account for a minor proportion of the University's total space need. Laboratory work at the graduate level is conducted in research laboratories, without reference to class-change schedules which typify class laboratories. Graduate instruction per student requires four times as much laboratory and classroom space, together, as that for undergraduate instruction. As the University's enrollment is increasing relatively more rapidly at the graduate level, space needs per student in total are consequently increasing.

Space needs of organized research units (e.g., Berkeley's Virus Laboratory) are not relatable to enrollment, being far more dependent on the nature and magnitude of the research effort to be accommodated. No allowances are calculated for them within the standards approved by the Coordinating Council for Higher Education, and their space is excluded from analyses of instructional capacity. Proposals for organized research units, as for other activities not covered by the standards, are prepared and reviewed on the bases of whatever estimating guides and projections are appropriate.

In addition to its general campuses, the University of California owns and maintains outlying areas under the control of individual campuses, agricultural field stations and research stations, extension centers, storage facilities, and affiliated institutions.

be funded by loans, to be repaid by revenues from the users. Some are appropriately dependent upon gifts. Others, such as student health facilities, are scheduled for funding by students' registration fees, possibly supplemented by gifts. Following are types of projects currently scheduled to be funded completely from nonstate sources:

- Residence halls and apartments.
- Parking—surface and structures.
- Cafeterias.
- Student and faculty centers.
- Athletic facilities beyond requirements for organized instruction.
- Student health facilities.

HEALTH SCIENCES FACILITIES

Medical Programs

The University's five-year capital outlay projections for the health sciences are based in part on the 10-year plan for the health sciences, transmitted to the Legislature by the University in November, 1970. Specific project and fund requests beyond 1971-72 have not been approved by the administration, but represent a plan for growth and expansion to meet the objectives outlined through 1975-76 of the 10-year plan.

During the years from 1971-72 through 1975-76, the plan proposes to expand each of the University's five medical schools from an entering class size of 428 students in 1970-71 to 778 entering students in 1975-76. Total M.D. enrollment during that period would increase from 1,577 to 2,615 students. Planning would also be underway by 1975-76 for additional facilities, including development of a sixth medical

UNIVERSITY OF CALIFORNIA—Continued

University of California—Capital Outlay—Continued

HEALTH SCIENCES FACILITIES—Continued

school, that would permit an increase in total M.D. enrollment to 3,753 students in 1979-80.

Interns and residents would be increased at the medical schools from 1,943 in 1970-71 to 2,885 in 1975-76, with facilities and program development in the planning stages at that point to increase these categories to 3,945 by 1979-80. Enrollment of graduate academic students would increase from 383 in 1970-71 to 710 in 1975-76, with plans to increase the total enrollment of this category by 1979-80 to 950.

Dental Programs

1970-71 enrollment of D.D.S. students at Los Angeles and San Francisco is 674. By 1975-76, 801 students would be enrolled, with plans for continued expansion of D.D.S. programs, including a third dental school, to a total enrollment of 1,127 students in 1979-80. Graduate student programs in dentistry would be increased from 85 in 1970-71 to 229 in 1975-76, with provision for additional expansion to 294 by 1979-80.

Nursing Programs

As part of a plan to make nursing programs an integral part of each health sciences campus having a medical school, graduate nursing programs would be enlarged at Los Angeles, and planning for new programs at Davis and Irvine would be undertaken by 1975-76. Total B.S. student enrollment in 1970-71 is 335, to be increased to 421 by 1975-76 through expansion at Los Angeles and San Francisco, and the start of new programs at Davis and Irvine. Similarly graduate programs would expand to 465 in 1975-76, with planning underway at that time to further increase enrollment to 509 undergraduate and 781 graduate students in 1979-80.

Pharmacy Programs

The University's School of Pharmacy at the San Francisco campus has a total 1970-71 enrollment of 401 students. By 1975-76, both the doctor of pharmacy and the graduate academic programs would be enlarged through expansion and renovation of existing

facilities at San Francisco. Total enrollment in 1975-76 is planned for 473 pharmacy students, with plans to expand by an additional 100 students before 1979-80.

Public Health and Community Health Programs

The University's two Schools of Public Health at Berkeley and Los Angeles are expected to increase their enrollments substantially during the decade in accord with the 10-year plan, including an increase from 479 students in 1970-71 to 770 students by 1975-76. Continued expansion would occur beyond 1975-76, with a target enrollment of 855 undergraduate and graduate public health students by 1979-80.

During the same period other health sciences campuses would undertake new community health programs, enrolling 120 students in such programs by 1975-76, and increasing that number to 200 by 1979-80.

Optometry Programs

Facilities are planned at the University's School of Optometry at Berkeley which would permit an increase in its total enrollment from 198 in 1970-71 to 239 in 1975-76, with a class buildup to 292 by 1979-80. First year class size would increase over this period from 54 to 71 students, and graduate academic enrollments would be increased moderately from a current 13 to 45 in 1979-80.

Veterinary Medical Programs

First year D.V.M. enrollment for the School of Medicine at Davis would increase from the present 83 students to 128 students on completion of the facilities proposed for planning and construction before 1975-76. Graduate academic and other nonD.V.M. programs in veterinary medicine would increase moderately, and total enrollment would increase from 437 students to 551 in 1975-76, and 736 by 1979-80. Feasibility and planning studies for a second school of veterinary medicine would be undertaken, but firm planning will not proceed until full development of the Davis school is assured.

Planning Criteria and Guidelines

In developing the plans for each of the new health sciences schools and expansion of existing schools, special space allocation formulas and guides are used which have been derived from a combination of sources. These include appropriate space allocation formulas used in the "Restudy of the Needs of California in Higher Education" and the "U.S. Public Health Service Guide to the Planning of Health Sciences Facilities." Space and other physical planning criteria used in developing this program reflect reductions in allocations for research over previous programs. The scopes of health sciences projects involving state and federal funds include only state-

supportable educational programs and do not include space for organized research units and postdoctoral fellows.

The development of health sciences centers in conjunction with general University campuses is followed as a basic planning guide. Included on each campus for medical schools are the basic sciences facilities and a major component of the clinical facilities required for the educational programs. Maximum utilization of offcampus clinical facilities, including affiliated community and other area hospitals, is required as part of the provision of adequate clinical resources needed for the educational programs.

UNIVERSITY OF CALIFORNIA—Continued

Federal Funding

The federal government continues to support the capital financing of health sciences schools through several different programs, including the Health Professions Teaching Facilities Program (which provides grants for up to two-thirds of the cost of constructing facilities for the training of physicians, dentists, pharmacists, optometrists, podiatrists, nurses, veterinarians, and public health personnel); the Medical Libraries Construction Program (which provides up to two-thirds of the cost of constructing medical school

libraries); the Allied Health Professions Construction Program (which provides up to two-thirds of the cost of constructing facilities for the training of medical technologists and other allied health professions); and the Hill-Burton Hospital Construction Program, which provides grants and loans to community hospitals, teaching hospitals, outpatient centers, extended care facilities, and other facilities related to patient care and treatment.

APPROPRIATIONS

Capital Outlay (Major Projects), Item 299 (<i>Education fee funds</i>)	\$21,886,000
Capital Outlay (Minor Projects), Item 300 (<i>Education fee funds</i>)	2,014,000
Other:	
Capital Outlay (<i>Federal funds</i>)	14,356,000
Capital Outlay (<i>Nonstate funds</i>)	4,739,000
Capital Outlay (<i>University overhead funds</i>)	1,407,690

HASTINGS COLLEGE OF LAW

University of California

Located at San Francisco

GENERAL ANALYSIS

The law school was founded in 1878 by Serranus Clinton Hastings, the first Chief Justice of the Supreme Court of the State of California. On March 26, 1878, the Legislature provided for affiliation with the University of California. The college board of directors has the primary responsibility through its executive officers for the administration of all affairs of the institution. The Chief Justice of the Supreme Court of the State of California is president of the board of directors, which is composed of eight members. Vacancies in the board of directors are filled by the board.

The overall objectives of the college are:

1. Provide students a top quality legal education so that they will become experts in the use of the tools of their craft and thus achieve a high level of professional competency.

2. Provide the legal profession with promising young men and women who can meet the needs of an increasingly interrelated and interdependent society. In other words to produce lawyers prepared for the various private and public roles performed by the legal profession.

3. Ensure that its graduates are sensitive to the problems of the administration of justice, have an appreciation of the technological-social-economic context in which legal institutions are shaped, and understand the responsibilities of the law as a means of deliberate change.

To accomplish the objective of providing a top quality legal education the college has adopted a faculty recruitment policy which has resulted in the acquiring of a distinguished group of senior professors known as the "Sixty-five Club". Since 1940 the college has deliberately sought out members of other prestigious law school faculties who, after achieving national reputation as legal scholars and teachers, have reached the customary retirement age. These men have brought the advantage of a broad perspective of experience in their chosen field, and the instructional skills unmatched by any law school in the nation. Hastings' present faculty includes 28 members of this professionally elite group, 12 members of the adjunct faculty (comprised of outstanding legal specialists in specific fields of practice in the San Francisco and Bay area) and the seven members of the administrative staff (dean, vice dean and registrar, associate dean, assistant dean—student affairs, law librarian, director of natural resources and environmental law, and administrator of moot court).

It is estimated that about 4,000 men and women will apply for admission to the college in 1970-71 and 1971-72. Approximately 450 students are accepted for the entering class. This is roughly 12 percent of those filing their applications. The remainder of the 850 available spaces are filled by second- and third-year students.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Instruction	40.2	59.4	60.9	\$942,594	\$1,240,074	\$1,288,149
II. Student services	8.4	11.5	12	193,258	297,877	332,069
III. Administration and institutional services—undistributed	28.4	35.8	39.8	406,953	559,922	683,949
TOTALS, PROGRAMS	77	106.7	112.7	\$1,542,805	\$2,097,873	\$2,304,167
Reimbursements				-567,152	-784,800	-948,600
NET TOTALS, PROGRAMS				\$975,653	\$1,313,073	\$1,355,567
General Fund				958,065	1,256,243	1,298,737
Federal funds				17,588	56,830	56,830

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

I. INSTRUCTION PROGRAM

In the 1971-72 fiscal year it is planned to provide for a student enrollment of 1,300. This is an increase of 100 students over the 1,200 originally programmed for 1970-71. To handle the increased workload in the classroom element and some expansion of the medical-legal instruction, a total of 6.5 additional positions are proposed. As noted below five of these positions are added on a temporary basis during the 1970-71 fiscal year. The total of 6.5 includes 3.5 additional faculty positions, two technical and clerical positions

and one coordinator of medical-legal instruction. The 3.5 additional faculty positions and the coordinator of medical-legal instruction will provide a ratio of 34.6 students to one faculty member which compares to 34.2 to one in 1969-70 and 34.9 to one in 1970-71. The additional faculty will handle the increased instructional workload with another section added to the second-year class and the coordinator of medical-legal education will handle the expansion of the clinical and

HASTINGS COLLEGE OF LAW—Continued

University of California

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

I. INSTRUCTION PROGRAM—Continued

classroom workload in conjunction with the San Francisco Campus of the University of California for an increasing number of legal and medical students. The stenographer position will handle the increased clerical services for the additional faculty and the technical assistant position is included to handle the various technical duties for the total faculty primarily in the area of visual aids including motion pictures and television.

During the 1970-71 fiscal year an increasing number of students have applied, been accepted and chosen Hastings College of Law. This has resulted in the enrollment of 1,300 students or an increase of 100 over the 1,200 originally programmed for this year. The increase in fees received from these students offsets the costs of providing an increase of four faculty positions to handle the increased instructional workload related to adding a section for the second year class, and one supporting stenographic position.

The Theory-Practice part of the program is included to provide practical experience to law students in the preparation and conduct of trials, including briefs and oral arguments before the court, and improve proficiency in the preparation and trial of civil cases, appellate procedures and legal medicine, and actual on-the-job experience by working with attorneys in legal aid, public defenders, district attorneys, bail bond projects, Industrial Accident Commission, and other administrative agencies.

At the present time Hastings Law Library consists of some 72,000 volumes. While Hastings ranks third in student enrollment of the nation's fully accredited day law schools, the library is 66th in size in comparison to the other 138 accredited law schools. This has been, and continues to be, an area of prime concern to the students, faculty and administration of the college. Completion of the new library facilities in 1969-70 expanded the library reading room from 250 to 500 stations in an expanded area of 12,500 square feet, and an additional 280 stations are available elsewhere in the building. The library is open until 11 p.m., five days a week and until 10 p.m., on Saturdays and Sundays.

The expansion in number of students increases the use of the law library. A part of the increase in the student assistant blanket is attributable to the

increase in routine duties required related to the increased enrollment. A new librarian position was approved for the 1970-71 fiscal year. With the appointment of the new librarian there was a reappraisal of the personnel needs in relation to the total resources available for the library element of the instruction program. As a result of this reappraisal an additional 2.5 positions are included in the 1970-71 fiscal year financed by a reallocation of resources within the level authorized for the library. These positions include 1.5 man-years in the student assistant blanket position to provide for an increased number of shelveers, loan desk attendants and to provide for the handling of other routine duties. Also, a new library assistant position is included to handle a part of the increased workload related to the new approved level of library material acquisitions, and involves the duties of (1) cataloging and classification; (2) book processing and (3) acquisition functions. These duties are semiprofessional in nature and are required on a continuing basis. They have been partially handled by budgeting part-time personnel in the student assistant blanket positions. The 2.5 positions are temporarily added in 1970-71 and are proposed in 1971-72 for permanent authorization.

The Hastings Law Journal is devoted to in-depth analysis and discussion of significant legal problems. Its articles range from exhaustive discussions by eminent legal scholars and members of the legal profession to notes and comments by students on recent developments in the law. In addition, it presents reviews of new books of special interest to the legal profession. Students selected to participate in the work of the Law Journal find it a rewarding and valuable educational experience. The benefits of the Law Journal experience are realized not only during the formal legal education, but also are apparent in the advantage the student has when seeking a position after graduation. Students are selected to participate in the work of the Law Journal on the basis of a combination of their ability to research, to write, and to analyze particularly complex legal situations, and the achievements they have attained in their law school courses. The several aspects of the Law Journal, its educational worth and the scope of its articles, combine to form a publication of immeasurable value to the practicing bar and to the entire legal profession.

II. STUDENT SERVICES PROGRAM

All student records, administrative records, examinations, statistical information, etc., are the property of the college and are maintained by the registrar.

The student placement services perform three functions: to fit the student into his proper place in the legal profession by providing on-campus interviews with firms, public agencies and corporation legal departments and various branches of the judiciary; to provide, through its summer observation program law practice experience during the summer months

for the second year student; and to fit students into part-time employment with law firms, government agencies, public law offices, the judiciary and special poverty law office programs that will provide not only valuable law experience but insure some financial remuneration enabling him to continue in school.

In 1971-72 an additional 0.5 man-year is proposed to handle the workload required for minimum clerical duties required to support the student placement services. This proposed change includes one typist-clerk

HASTINGS COLLEGE OF LAW—Continued

University of California

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

II. STUDENT SERVICES PROGRAM—Continued

position to provide minimal clerical staffing on a continuing basis. The financing of this position is partially financed by eliminating the presently authorized 0.5 student assistant position.

The financial aid office handles the processing of loans through the United Student Aid Loan Fund Program, the American Bar Association Program, and the Federally Insured Student Loan Program. It also processes applications in connection with the scholarship program, and the special Student Offset Grant Program, and the grants-in-aid. The functions of the office are divided into four general categories

including (1) general information and processing, (2) financial need analysis, (3) counseling and part-time job placement, and (4) internal accounting and statistical file maintenance.

General information is provided students regarding all types of financial aid available for assistance from the College as well as outside sources and advice is given as to the application process for each type.

In 1971-72 there is an increase in student grant funds to partially satisfy the needs of eligible students.

III. ADMINISTRATION AND INSTITUTIONAL SERVICES PROGRAM

Administration of the college is the responsibility of the dean, and his chief administrators including the vice dean and registrar, the associate dean and to a lesser extent, the administrator of the moot court program. The dean and the registrar are, by statute, officers of the college, the registrar serves as secretary to the board of directors. Administrative responsibility includes fiscal management and planning, coordination of instructional programs, alumni promotion and development, public relations, curriculum planning, development of new instructional and theory practice programs, supervision and development of physical plant operation, and personnel management.

In 1970-71 there is an increase of 100 student enrollment over the 1,200 originally programmed. This enrollment increase as well as the completion of the alterations to the building focused attention on the need for a college information clerical position. Effort was made to absorb this workload by assigning a position from the three positions authorized for the registrar element in the student services program and by transferring some of the cashiering workload from the registrar element to business services in administration. The volume of general information requirements was such that an undue burden was placed on the remaining two positions in office of registrar. Accordingly, an additional clerical man-year to provide general college information is included on a temporary basis for part of the 1970-71 fiscal year and proposed for continuation on a permanent basis in 1971-72.

One additional clerical man-year is included in 1971-72 to handle the secretarial services for the assistant dean—student affairs.

In the business services office the various services include accounting, budgeting, cashiering, contract preparation, mail, personnel, purchasing and supplies.

In 1970-71 the handling of mail and duplicating services with the various machines was originally budgeted in janitorial services included in the plant operation element. The resources are reallocated to

administration to provide for a man-year of permanent clerical services to handle the workload. This will provide for more consistency of service than has been available by use of student assistants. This change is included on a temporary basis in 1970-71 and proposed for continuation in 1971-72.

In 1971-72 an additional three man-years is included to handle increased workload and to correct staffing deficiencies. One personnel assistant position is included to provide staff assistance in the personnel management program. It is planned to provide professional personnel services in area of classification, pay, testing, recruitment and personnel management matters through contract services with the Cooperative Services Division of the State Personnel Board. The personnel assistant is included to provide part-time assistance in implementing decisions in this area and part time to supervise the faculty service center activities and to provide general supervision over the mail receipt and distribution service. The faculty service center is planned to provide centralized stenographic, typist and reproduction services for faculty members.

One additional man-year of professional accounting services is included to assist in handling the increasing fiscal workload. It is necessary to centralize some of the accounting services for the Law Journal element in the instructional program and for some of the activities in the alumni area. It is expected that this man-year will permit the providing of management with fiscal information on a timely basis regarding resources used in relation to resources available.

One additional man-year of service and supply assistant time is included to handle the receipt of supplies and equipment and supervise the mail and reproduction services. This man-year is financed by reallocating resources from the janitorial services in the plant operation element where some of these services are presently budgeted.

HASTINGS COLLEGE OF LAW—Continued

University of California

LINE	GENERAL BUDGETARY INFORMATION				ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72	
1	Regular student enrollment -----				1,173	1,300	1,300	
2	Summer session student enrollment -----				-	89	150	
3	Gross cost per student ^b -----				\$1,298	\$1,564	\$1,717	
4	Net General Fund cost per student -----				\$817	\$966	\$999	
5	Number of graduates -----				273	325	457	
6								
7								
8								
9	RECAPITULATION BY OBJECT				PERSONNEL MAN-YEARS	ACTUAL	ESTIMATED	PROPOSED
10					69-70 70-71 71-72	1969-70	1970-71	1971-72
11								
12								
13								
14								
15	STATE OPERATIONS							
16	PERSONAL SERVICES							
17	Net salaries and wages -----				77 106.7 112.7	\$1,112,585	\$1,492,011	\$1,601,567
18	Staff benefits -----				- - -	7,660	69,968	99,334
19	Student pay—work study -----				- - -	17,588	56,830	56,830
20	Totals, Personal Services -----				77 106.7 112.7	\$1,137,833	\$1,618,809	\$1,757,731
21								
22	OPERATING EXPENSES AND EQUIPMENT							
23	General expense -----					\$54,807	\$67,940	\$74,840
24	Travel -----					3,791	7,240	12,050
25	Facilities expense -----					78,513	79,480	88,960
26	Library expense -----					128,800	154,590	164,130
27	Law Journal -----					29,115	31,640	32,730
28	Student medical services -----					76,030	93,600	93,600
29	Student grants -----					28,160	35,650	65,650
30	Equipment -----					5,756	8,924	14,476
31	Totals, Operating Expenses and Equipment -----					\$404,972	\$479,064	\$546,436
32								
33	Totals, Expenditures -----					\$1,542,805	\$2,097,873	\$2,304,167
34	Reimbursements -----					-567,152	-784,800	-948,600
35								
36	Totals, Expenditures, State Operations -----					\$975,653	\$1,313,073	\$1,355,567
37	General Fund -----					958,065	1,256,243	1,298,737
38	Federal funds ^a -----					17,588	56,830	56,830
39								
40								
41								
42								
43	APPROPRIATIONS							
44	Support, Item 287 (General Fund) -----							\$1,298,737
45	Support, grants (Federal funds) -----							56,830
46								

^a Neither receipts nor expenditures of federal funds are included in the overall budget totals.

^b After deduction of expenditures for summer session and federal grants.

THE CALIFORNIA STATE COLLEGES

Headquarters Office at Los Angeles

GENERAL ANALYSIS

The California state college system consists of 19 campuses. Sites for three new campuses have been purchased by the State of California in Ventura, Contra Costa, and San Mateo Counties.

It is anticipated that in the 1971-72 fiscal year 221,020 full-time equivalent students (FTE) will be enrolled in the system.

The program objectives of the California State Colleges are:

1. To provide instruction in the liberal arts and sciences, the professions, applied fields which require more than two years of college education, and teacher education—both for undergraduate students and graduate students through the master's degree; and to award the doctoral degree jointly with the University of California.

2. To conduct faculty research to the extent that it is consistent with the primary function of the state colleges and the facilities provided for that function.

3. To provide public services to the people of the State of California.

4. To provide services to students enrolled in the California State Colleges.

5. To provide institutional services to support the primary functions of instruction, research, public services, and student services in the California State Colleges and to ensure that legal obligations related to executive and business affairs are met.

The locations of the 19 campuses show the state-wide coverage of this, the largest higher education system in the nation.

LEGEND

Chronological Order & Name of College	Date Established
1. San Jose State College	1857
2. Chico State College	1887
3. San Diego State College	1897
4. San Francisco State College	1899
5. California State Polytechnic College, San Luis Obispo	1901
6. Fresno State College	1910
7. Humboldt State College	1913
8. California State Polytechnic College, Kellogg-Voorhis	1938
9. California State College, Los Angeles	1947
10. Sacramento State College	1947
11. California State College, Long Beach	1949
12. California State College, Fullerton	1957
13. California State College, Hayward	1957
14. San Fernando Valley State College	1958
15. Stanislaus State College	1959
16. Sonoma State College	1960
17. California State College, Dominguez Hills	1960
18. California State College, San Bernardino	1960
19. California State College, Bakersfield	1965



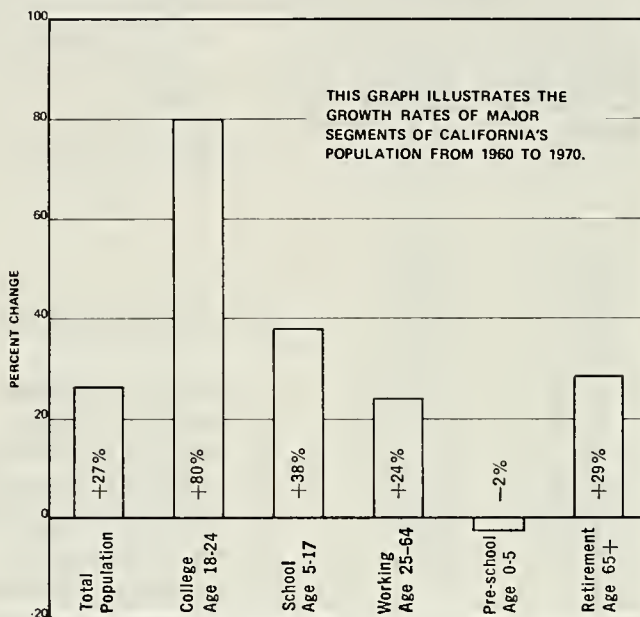
THE CALIFORNIA STATE COLLEGES—Continued

GENERAL ANALYSIS—Continued

The following tables describe the growth rates of major segments of California's population from 1960 to 1970 and the growth comparison of California public high school graduates and the four segments

of higher education which portray the importance of the programs of the California State Colleges toward meeting the educational needs of the citizens of California.

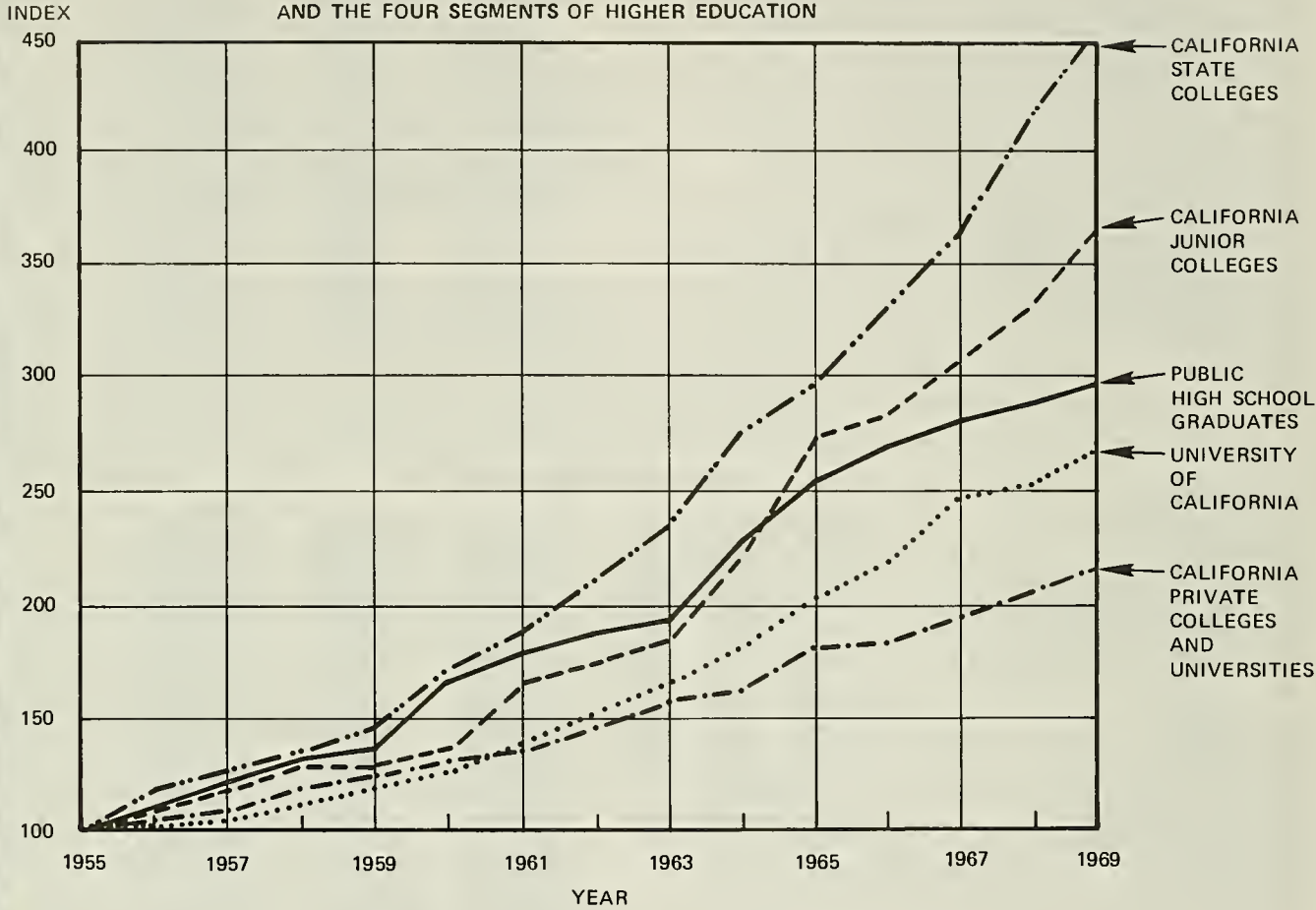
CALIFORNIA GROWTH RATE 1960 TO 1970



SOURCE: CALIFORNIA DEPARTMENT OF FINANCE
FINANCIAL AND POPULATION RESEARCH SECTION

THE CALIFORNIA STATE COLLEGES—Continued

GROWTH COMPARISON
OF CALIFORNIA PUBLIC HIGH SCHOOL GRADUATES
AND THE FOUR SEGMENTS OF HIGHER EDUCATION



Program Objectives

WICHE PROGRAM CLASSIFICATION STRUCTURE

The following structure was developed by the Western Interstate Commission for Higher Education with the help of various representatives of the participating agencies and institutions from thirteen (13) western states. This structure is one product of WICHE Management Information Systems Program financed by federal, state and institution funds.

The state colleges have elected to use this structure, at least on a trial basis, for the purpose of this budget presentation. This decision is in response to a request of the 1970 California Legislature Joint Conference Committee relating to the Budget Bill, for an evaluation of "... the WICHE classification structure system in terms of utilizing it in program budgets and

report its finding to the Joint Legislative Budget Committee. ..."

This initial use has revealed the necessity to make certain exceptions to the structure, primarily because some programs are not applicable to the state colleges.

The use of the WICHE proposed structure by all segments of public higher education will permit comparisons of program costs but only after significant refinement of management information systems, especially cost accounting systems. Any cost comparisons made using this budget presentation must be tentative at best. These attempts will serve the purpose of specifically identifying the necessity for common cost accounting techniques.

THE CALIFORNIA STATE COLLEGES—Continued

PROGRAM SUMMARY ^a

SUMMARY OF PROGRAM REQUIREMENTS

	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
I. Instruction	\$213,630,534	\$235,454,227	\$243,447,002
II. Organized Research	21,835,155	19,728,143	17,454,928
III. Public Service	4,553,001	6,970,785	7,122,074
IV. Academic Support	30,671,675	30,620,815	31,292,766
V. Student Service	84,271,002	99,734,538	105,640,304
VI. Institutional Support	65,845,342	76,329,801	79,512,647
TOTALS, PROGRAMS	\$420,806,709	\$468,838,309	\$484,469,721
Reimbursements	-62,882,559	-83,804,544	-93,610,609
NET TOTALS, PROGRAMS	\$357,924,150	\$385,033,765	\$390,859,112
General Fund	284,962,524	310,597,216	315,972,193
Extension Program Revenue Fund	3,296,408	4,273,608	4,723,164
Dormitory Revenue Fund	4,016,311	4,664,144	4,718,193
Auxiliary Enterprise Fund	221,784	227,321	225,516
Parking Revenue Fund	1,568,000	1,653,889	1,714,080
State College foundations	21,202,585	19,082,327	17,174,096
Auxiliary operations	42,656,538	44,535,260	46,331,870
Federal funds	(19,119,969)	(29,571,375)	(32,484,029)

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			

FUNCTIONAL SUMMARY

FUNCTION						
General administration	1,436.3	1,475.5	1,480.2	\$21,297,623	\$24,253,651	\$25,282,962
Instruction	14,804	15,761.5	15,406.3	201,369,530	222,698,808	227,168,234
Library	1,703.1	1,545.2	1,554.8	22,506,142	20,913,790	21,196,615
Student services	1,713.4	1,988.7	2,047.8	18,482,143	22,155,877	23,650,440
Plant operation	2,723.2	2,977.7	3,112.5	31,344,837	35,120,320	38,401,364
Student financial aids	197.5	250	262.3	21,160,117	30,078,089	34,772,229
Educational Opportunity Program	109	177.4	155	2,196,462	3,272,283	1,652,153
Quarter system cycling	139.8	154.2	165.5	1,315,461	1,474,208	1,608,962
Summer quarter operation	637.8	771.3	726.5	7,479,527	7,296,631	8,973,805
Reimbursed activities	1,093.4	1,548.1	1,558.9	14,090,357	18,713,073	18,720,447
Parking	135.4	156.9	163.9	1,568,000	1,653,889	1,714,080
Housing	449.1	517.6	546.7	4,238,095	4,891,465	4,943,709
Extension	259	352.3	378.6	3,296,408	4,273,608	4,723,164
Chancellor's office	271.7	290.7	287.3	5,433,000	6,376,452	6,661,320
Statewide programs	23.5	30.4	30	1,169,884	2,048,578	1,494,271
Totals, Programs	25,696.2	27,997.5	27,876.3	\$356,947,586	\$405,220,722	\$420,963,755
Reimbursements				-62,882,559	-83,804,544	-93,610,609
Federal				(-19,119,969)	(-29,571,375)	(-32,484,029)
Other				(-43,762,590)	(-54,233,169)	(-61,126,580)
NET TOTALS, PROGRAMS				\$294,065,027	\$321,416,178	\$327,353,146
General Fund	24,852.7	26,970.7	26,787.1	284,962,524	310,597,216	315,972,193
Extension Program Revenue Fund	259	352.3	378.6	3,296,408	4,273,608	4,723,164
Dormitory Revenue Fund	437.9	505.3	534.4	4,016,311	4,664,144	4,718,193
Auxiliary Enterprise Fund	11.2	12.3	12.3	221,784	227,321	225,516
Parking Revenue Fund	135.4	156.9	163.9	1,568,000	1,653,889	1,714,080

The 1971-72 General Fund budget for the California State Colleges totals \$315,972,193, an increase of 1.7 percent over the current fiscal year. This budget is based on an enrollment of 221,020 FTE, an increase of 9 percent over the current year estimate. The fundamental assumption upon which this budget has been developed has been the accommodation of 221,020

FTE students at the highest possible level commensurate within available tax resources and efficiency of administrative service and educational operation. The various major changes in program levels are arrayed by organizational function and are summarized as follows:

GENERAL ADMINISTRATION

This function consists of the executive, business management and automatic data processing offices. These offices are responsible for the overall administration of the college, personnel administration, and direction of the college building program. In addition, they are responsible for institutional services such as accounting, purchasing, payroll, budgeting, and automatic data processing.

Executive

One clerical position at each college (\$120,401) is reduced based on the curtailment in the state building program. The clerical workload associated with the building program will be absorbed within the total executive function. An additional \$100,000 is reduced in the Chancellor's Office.

^a This summary includes expenditures of auxiliary operations and state college foundations—special projects.

THE CALIFORNIA STATE COLLEGES—Continued

GENERAL ADMINISTRATION—Continued

The public information function is budgeted at the level approved by the 1970 Legislature.

General Administration Operating Expenses

A reduction in the communication expenses request in the amount of \$250,000 is incorporated in anticipation that greater efficiencies can be implemented throughout the state college system. An increase is included in this budget of \$284,359, bringing the total for communication expenses to \$3,392,773.

Nonfaculty Position Reclassifications

State agencies have traditionally financed reclassifications from excess salary savings. In the past the State Colleges have been authorized a special allotment for nonfaculty reclassification. The 1971-72 Governor's Budget excludes this allotment (\$530,000). State Colleges, like other state agencies, will need to assure themselves that savings in the personnel services category are available to finance reclassifications.

Business Management Services

As the enrollments of the various colleges have increased, the demand on business management services has increased. This budget curtails this historical practice to the extent of \$210,136. Minimal provision has been made for additional professional staff at larger colleges to provide for the implementation of accounting and other management data systems consistent with the principles of program cost accounting. Nominal increases in the staffs of smaller, newer colleges have also been included in the budgets. Total increases approximate \$210,000.

Automatic Data Processing

A number of changes in approved programs are being made and a number of additions are proposed.

The changes in approved programs are: \$70,000 earmarked for the Common Admissions Program is reduced to the level commensurate with a lower applicant demand; \$25,000, scheduled for the completion of the telecommunication link between the regional data centers and the UCLA computing complex, will be provided from sources other than the General Fund; the rental (\$22,800) of an IBM/360 Model 20 computer in the Chancellor's office will be discontinued and a courier system used to provide this service; and, the staffing (\$40,832) for remote input capability for an on-line system at both San Jose and Los Angeles is not included in the budget because these colleges will use "over-the-counter" computer procedures in lieu of on-line installations.

Systemwide Time Sharing

There is an increased need for interactive computer terminals (\$300,000) to support instructional use of computers within the state college system. These terminals, usually teletypes, allow students and instructors to interact directly with the computer to solve problems on a time-shared basis.

This \$300,000 will provide to all state colleges on a limited basis, conversational computing time sharing. Depending on the instructional involvement, each college will have from two to eight terminals. The terminals will be integrated with the present state college distributed computing network. Existing communication lines will be used. Though no additional computers are necessary, funds to establish time-sharing computing capability are required. The plan is to have the present computer at San Fernando Valley State College provide time sharing service to the southern California colleges and a college in the North, possibly San Francisco or Sacramento, have its computer facility upgraded in order to provide service to the northern California colleges. This will allow time sharing capability to be established in January for the southern California colleges and in May for the northern California colleges. Full year funding of approximately \$594,120 will be required to maintain capability for the following year.

Workload Increase

A workload increase of \$58,851 for ADP support represents money to be used for supplies and services to support ADP throughout the entire state college system. As demand for ADP support increases, so does the demand for supplies and services. This increase represents funds to be used for magnetic tape, cards, and maintenance of state-owned equipment.

Additional Core Equipment

Although the CDC 3150 computer systems located throughout the state colleges have some stand-alone capability at the present time, an upgrading (\$81,735) of this equipment is necessary to enable the schools using this equipment to process more of their workload on campus, and to more efficiently utilize the equipment for advancement of instructional and administrative data processing.

Clerical/Computer Operator Positions for Regional Data Centers

Six new clerical/computer operator positions for regional data centers have been included (\$43,900) in this budget. Each regional data center operates 24 hours per day every day, and processes more than 1,000 jobs per day. The demand placed on support personnel is increasing as the colleges' data processing needs increase.

THE CALIFORNIA STATE COLLEGES—Continued

INSTRUCTION

The instruction function includes expenditures directly connected with the instructional programs at the colleges. Subfunctions included in this area are (1) instructional administration, (2) instructional faculty, (3) technical and clerical support, (4) special programs such as master of social work program and off-campus centers and (5) instructional services such as audiovisual and television services, college farms and natural resource support staff.

Technological Education

Special budgetary allowances have been given to San Francisco State College, totaling \$132,895, in order to give special emphasis in preservice, career-oriented programs at the secondary level primarily. The orientation of the program is interdisciplinary in terms of classroom teaching-learning strategies. There is no evidence to date that the San Francisco program is any more effective than those at other campuses which are offered without special budget allocations and funding therefore has been deleted.

San Francisco Laboratory School

The Frederic Burk Laboratory School at San Francisco State College, while providing an excellent educational program for the local community, does not provide substantial observation, demonstration, experimentation and other activities commensurate with the state annual investment and for this reason is not included in the 1971-72 Governor's Budget (\$387,104).

Audiovisual Staffing

A reduction at each of the state colleges in the form of temporary help totaling \$310,230 (33.2 temporary help positions of which 12.3 positions are existing) is made from the historical formula for this function.

Faculty Workload

The highest priority of higher education is effective instruction of qualified students. In the past the number of faculty positions in the state colleges has been budgeted under complex faculty staffing formulas developed in 1957. Over time, enrollments have grown, instructional costs have increased, and academic programs and courses have proliferated. At the same time, faculty in California, as elsewhere, have been spending more of their time in activities which, however worthwhile, have contributed to these increased costs, and have taken them away from the classrooms and laboratories where most of their students are enrolled.

It was a basic assumption in 1957 when the "faculty staffing formula" was adopted that the basic classroom workload criteria for state college faculty would be 12 weighted teaching units. This is the equivalent of 12 hours per week of classroom instruction. Other functions including advisement, administrative duties and assistance to students earned an additional three teaching units which brought the total workload criteria to 15 teaching units. For a number of reasons it has been virtually impossible to bring the system average up to the 12 WTU of class-

room instruction. The last actual experience calculated from the college data shows that on the average throughout the system that 11.1 WTU was accomplished by the regular faculty in lecture and laboratory courses.

In the fall of 1969, the regular faculty in lecture and laboratory courses produced at the rate of 23.17 student credit-hours per weighted teaching unit. When applying this production measure of faculty to the total estimated enrollments and increasing faculty workload to 12 WTU in the 1971-72 fiscal year, the state colleges will require 175.5 fewer faculty positions than budgeted in the current year.

The state colleges curriculum program, characterized by a predominance of very small sections, is currently under study by the Coordinating Council on Higher Education.

All of the above considerations are consistent with the criteria that state college faculty will teach on the average 12 weighted teaching units, which is the equivalent of 12 hours per week of classroom teaching.

Master of Social Work

This budget continues the Master of Social Work Program for presently enrolled graduate students and holds the number of first-year students to 50 percent of the prior year level. Since the student-teacher ratio of 6.7:1 is an especially rich and consequently expensive major, this modification makes possible a cost savings of nearly 25 percent in the total cost of this program. Twenty-eight teaching positions are involved and a net reduction of \$500,000 is generated.

Financial support for field work and stipends for students have been eliminated in the budget of the Department of Social Welfare which were previously handled as reimbursements in the state college system. The state's demand for persons trained in this field has been substantially reduced.

Teacher Education Program

Admissions priorities are needed based on the evidence that many graduates are not being placed because of the declining growth in the elementary class levels. Ratios of applicants to available jobs in many areas of the state indicate that the curtailment of this program is in order.

Joint Doctoral Program

These programs have proven to be very expensive. Since the inception of this program approximately \$626,000 has been spent through the current fiscal year and only one degree has been granted. The 1971-72 budget includes this program at the same dollar level as the current year budget (\$427,000). It is expected that 25 degrees will be awarded in the budget year.

Special Leaves—Research and Creative Activity

The 1970 Legislature reduced this program by 50 percent. The 1971-72 Governor's Budget eliminates the remaining \$294,000 on the basis that, among public institutions of higher education in California, the university has research as a primary function.

THE CALIFORNIA STATE COLLEGES—Continued

INSTRUCTION—Continued

Out-of-State Recruitment

All General Fund out-of-state travel, interview expenses and moving expenses have been deleted from this budget (\$823,573) on the basis that the total number of faculty positions included in this budget is less than the current year. Faculty turnover is not as great as in prior years and any necessary recruiting can be accomplished during out-of-state trips that are financed from the out-of-state travel allotment and by sources other than the State General Fund.

Instructional Television

The effectiveness of this media has never met expectations and has been disappointing. Approximately

\$800,000 is expended annually. A \$400,057 curtailment is proposed which includes a \$100,000 reduction in state funding of the educational television program at San Diego State College. It is anticipated that additional local support can be obtained to augment the \$175,000 state funds included in this budget for the ETV program at San Diego State College.

Other—Instruction

Equipment adjustments have been made to reflect faculty allowances and special equipment allocations (\$276,874). Other adjustments are: special lectures, \$78,700; and expenses for master teachers, \$100,000.

LIBRARY

Augmented Book Program

For a number of years the budget has included an augmented library book program for the California State Colleges intended to increase the number of volumes comparable to other institutions of higher education. With the growing financial problems, it has not been possible to continue this program. The 1970 Legislature deleted the program for the current fiscal year and while this budget includes books for increased enrollments, it does not provide an augmented book acquisition program for the 1971-72 fiscal year.

Library Services

It has been evident that the historical budgeting processes have overbudgeted the processing costs for the library book acquisition function and that public services (circulation, checkout and other functions) have been underbudgeted. This became very clear in the current fiscal year when the colleges reported that \$750,000 budgeted for book processing is estimated to be used for other library functions. This budget includes the approval of the transfer to the extent of \$497,423 which results in a new staffing formula of one position for each 272 students for these functions.

STUDENT SERVICES

Included in this function are the various noninstructional services provided to students as follows: admissions, student records, counseling, testing, student activities, housing, placement, and health. The dean of students' office has the responsibility for administering all student service activities.

General Functions

This budget generally continues the staffing and other budgetary standards for these student services. The admissions and records and common admissions functions are held at the current level. The 1970 Legislature provided \$300,000 for the Common Admissions Program and approved the increase in the application fee with the understanding that the admissions and records function would receive increased support. Accordingly, the current year program was increased from reimbursements by \$553,932 and this

budget continues the Common Admissions Program at this level.

No provisions are made for the programs of either the relations with schools or for the foreign student counselors.

In the current year, budget recognition for health services for part-time students was granted and 33 additional positions are included based on current year standards. No further enrichment in the health services program for part-time students has been made over and above the new current year standards.

Clerical Assistance for Special Assistants

Clerical assistance in the deans of students' offices is being adjusted (\$117,080) to delete the clerical positions budgeted for the positions of ombudsmen. The clerical workload will be handled by other clerical positions in this function.

PLANT OPERATION

A number of general curtailments (\$611,976) have been incorporated in this function. The custodial standard adopted by the 1970 Legislature has been continued. The rental of temporary faculty offices has been adjusted to reflect faculty changes. State maintenance of the Voorhis Campus (\$35,378) has not been

included in this budget. Some additional groundsman positions have been added while others are deleted or deferred (\$205,529). Security positions (\$256,000) have been increased throughout the system (also, see statewide—unallocated).

THE CALIFORNIA STATE COLLEGES—Continued

STUDENT FINANCIAL AIDS

The student financial aid function contains federally sponsored student aid programs which are financed by fixed cost-sharing provisions in accordance with federal law. The costs of this function are financed by state matching funds, federal funds, and nonprofit agencies. The 1971-72 Financial Aid Program projects an increase in gross expenditures of \$4,806,735 over the 1970-71 Governor's Budget. The expenditure level projected for 1971-72 is based upon current estimates of congressional action and will subsequently be adjusted in accordance with changes in the amount of federal financing available.

The following is a brief discussion of program elements contained in this function.

Administration

This subfunction includes all positions involved in the granting of financial aids, the disbursement of funds, collection of loans, and maintenance of accounts and trusts for financial aid to students.

An increase of \$235,000 is included which is required to handle the increased workload in this function.

Student Pay—Work-Study

This activity consists of an on-campus program, making provision for employment of students by the college itself in terms of either assistants to instructional faculty or involvement in other college activities. The off-campus program makes provision for employment of students by various governmental and/or nonprofit organizations.

NDEA Student Loan Program

The National Defense Education Act of 1958 makes provisions for low-interest loans to students. Loan funds are financed 90 percent by the federal government and 10 percent from the General Fund.

Nursing Student Loan Program

The Nursing Student Loan Program is authorized by Part B, Title VIII of the Public Health Service Act as amended by the Nurses Training Act of 1964. It makes provision for low-interest loans to nursing students. The loan programs are financed 90 percent by the federal government and 10 percent by the state government.

Law Enforcement Education Loans and Grants

Authorized by the Omnibus Crime Control and Safe Streets Act of 1968, the Law Enforcement Education Program involves loans and grants to students enrolled in undergraduate or graduate programs related to law enforcement. This program is 100-percent federally financed.

Educational Opportunity Grants

The Educational Opportunity Grants Program is federally financed and requires no state matching funds. The 1971-72 program is projected at \$8,173,500.

Nursing Scholarship

The Nursing Scholarship Program is 100-percent federally financed requiring no state matching funds. Projected federal funds receipts for 1971-72 are \$308,000.

EDUCATIONAL OPPORTUNITY PROGRAM

This budget is based on the same level of students as the current year: 3,500 new and 2,675 second-year students. No budgetary provisions for financial aids or tutorial services are made for students past their second year. This budget assumes that additional Federal Economic Opportunity Grants and National Defense Education Funds will be received by the colleges to be used for Educational Opportunity Program students.

A total of \$160,489 is reduced due to the very high administrative costs at a number of state colleges in comparison with very low enrollments (Stanislaus, San Bernardino, Humboldt and Bakersfield State Colleges). Financial aids are continued for these students and administrative functions will be assumed within the student personnel function.

QUARTER SYSTEM CYCLING

Cycling costs are the annual incremental costs associated with operating a campus or college for three quarters rather than two semesters. In previous budgets these costs have been included in the year-round operation function.

Extra allowances for quarter system colleges have been reduced \$655,192.

SUMMER QUARTER OPERATION

Consistent with legislative intent, that the budgetary standards are no higher for the summer quarter than for the other three quarters, the extra allowances budget for summer quarter colleges have been adjusted for the following functions: teaching, 23.4 faculty positions; administrative supervision, \$60,000; general expenses for administration and

teaching, \$150,000; library, \$173,000; plant operation, \$14,000; and student financial aids, \$62,000. The above changes total \$750,000.

The increase in faculty workload, which involves 42 positions and \$714,211, brings the total summer quarter adjustments up to \$1,464,211.

THE CALIFORNIA STATE COLLEGES—Continued

SPECIAL FUNDS AND REIMBURSEMENTS

This budget proposes the elimination of all non-resident student tuition waivers which increases reimbursements by \$204,462; an anticipated increase in miscellaneous fees, \$400,000; and an increase from federal overhead allowances of \$200,000.

This budget is based on an increase in foreign stu-

dent tuition to \$1,110 a year, an amount approximating the instructional cost per student. This is the same level of tuition that the U.S. nonresident student pays. The effect of this increase is estimated to increase revenue by \$1,919,320 and is dependent to some degree on foreign student enrollment trends.

PARKING

The State College Parking Program provides parking facilities for state college students, employees, and visitors; it was authorized under the provision of Section 23752 of the Education Code, July 1, 1966. It is a self-supporting program in that it derives all its revenues from parking fees.

Moneys in this fund are continuously appropriated, without regard to fiscal year, to the Trustees of the California State Colleges for the acquisition, construction, operation, and maintenance of motor vehicle parking facilities.

HOUSING

The Housing Program in the California State Colleges essentially provides residential facilities for single college students; however, a small number of married students are currently being housed in facilities which were built some years ago.

Costs for the residence hall program have been minimized where possible, however periodic room and board rate increases are anticipated to meet added debt service and increases in salaries and operating expenses.

EXTENSION

Special legislation that became effective January 1, 1968, provided for a special fund for this program activity. With the creation of this special fund provision was made for the retention of surpluses for the development of the Extension Program and community services. The rapidly expanding efforts of this

program activity are demonstrated by an average growth rate of 15 percent per year with a 1969-70 net enrollment of 69,226 throughout the 19 program service areas of the state colleges. The total revenue for 1969-70 was \$3,606,162 and the net change in surplus was \$321,348.

CHANCELLOR'S OFFICE

The office of chancellor comprises the staff necessary for the planning and administration of academic policies and programs, external relations, supports budgets, campus master plans and building programs, personnel affairs, college data processing and information systems, auxiliary organization policies, ancillary facilities development and student affairs.

The reduction in the building program requires adjustments in the staffing in both the various state colleges and the chancellor's office. \$120,401 has been reduced at the college level (see general administration) and \$100,000 in the chancellor's office. Of the latter amount, five positions are involved, three are deleted and two are funded from special funds for health facilities, parking and resident hall projects.

STATEWIDE PROGRAMS

Statewide programs include international program, disciplinary procedures, security, trustee's audit program, Academic Senate, workmen's compensation and initial complement to expendable equipment.

International Program

This program is budgeted at \$427,765, compared

with the current year level of \$712,076. Implied in this decision is the policy that participating students may reimburse the program for a greater proportion of administrative costs. Enrollments may be effected because of the reduced level of support.

THE CALIFORNIA STATE COLLEGES—Continued

STATEWIDE PROGRAMS—Continued

Disciplinary Procedures

An amount of \$30,000 is included in this budget to provide necessary hearing officers and legal services in matters related to the new procedures in disciplinary action. Outside sources will provide supplemental assistance in this regard.

Security

In addition to the increase of \$256,000 for security positions budgeted in the plant operations function, \$75,000 is included in statewide—unallocated to strengthen this program in the state college system.

ENROLLMENT ESTIMATES

The enrollment estimates for each state college for both individuals and full-time equivalents is described in the following table for the years 1969-70 (actual) and for 1970-71 and 1971-72:

ANNUAL AVERAGE INDIVIDUAL AND FULL-TIME EQUIVALENT ENROLLMENT

College	Individual			Full-time Equivalents		
	Actual 1969-70	Estimated 1970-71	Estimated 1971-72	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Long Beach	26,611	26,720	28,760	19,027	19,460	20,120
San Diego	23,276	23,760	25,400	18,842	19,570	20,810
(S.D. campus)	(22,816)	(23,160)	(25,000)	(18,602)	(19,270)	(20,510)
(O.C.C. Calexico)	(460)	(600)	(400)	(240)	(300)	(300)
San Jose	23,653	24,020	24,980	18,758	19,040	19,980
San Fernando Valley	20,401	22,560	25,100	15,639	17,600	19,500
Los Angeles	33,590	35,250	42,900	17,404	18,475	21,060
(Regular session)	(21,030)	(21,600)	(24,150)	(14,684)	(15,565)	(17,000)
(Summer quarter)	(12,560)	(13,650)	(18,750)	(2,720)	(2,910)	(4,060)
San Francisco	17,858	17,600	18,420	13,688	13,780	14,080
Sacramento	14,654	15,860	16,760	11,962	13,010	13,770
Fresno	13,756	14,600	16,200	11,769	12,690	14,150
(Fresno campus)	(13,032)	(14,600)	(16,200)	(11,349)	(12,690)	(14,150)
(O.C.C. Bakersfield) b	(724)	(-)	(-)	(420)	(-)	(-)
San Luis Obispo	13,405	15,260	15,910	11,340	12,530	12,700
(Regular session)	(10,835)	(11,860)	(11,880)	(10,702)	(11,700)	(11,700)
(Summer quarter)	(2,570)	(3,400)	(4,030)	(638)	(830)	(1,000)
Fullerton	12,835	14,060	15,210	9,526	10,470	11,590
Chico	9,114	10,050	10,420	8,712	9,640	10,200
Hayward	14,183	17,340	21,520	8,726	10,605	13,150
(Regular session)	(9,547)	(11,420)	(13,710)	(7,686)	(9,305)	(11,400)
(Summer quarter)	(4,636)	(5,920)	(7,810)	(1,040)	(1,300)	(1,750)
Pomona	10,485	11,860	13,720	7,897	8,750	9,930
(Regular session)	(7,577)	(8,340)	(9,920)	(7,183)	(7,920)	(9,000)
(Summer quarter)	(2,908)	(3,520)	(3,800)	(714)	(830)	(930)
Humboldt	5,173	5,500	6,000	4,840	5,250	5,700
Sonoma	3,395	4,080	4,860	3,154	3,850	4,370
Stanislaus	2,173	2,600	3,190	1,867	2,300	2,870
Dominguez Hills	1,776	2,400	3,260	1,560	2,100	2,640
San Bernardino	1,825	2,220	3,130	1,611	2,020	2,850
Bakersfield	-	1,270	1,600	-	850	1,250
Totals, All Colleges	248,163	267,010	297,340	186,322	201,990	220,720
(Regular session)	(225,489)	(240,520)	(262,950)	(181,210)	(196,120)	(212,980)
(Summer quarter)	(22,674)	(26,490)	(34,390)	(5,112)	(5,870)	(7,740)
International Program	379	505	300	379	505	300
TOTALS	248,542	267,515	297,640	186,701	202,495	221,020

The net General Fund expenditures per full-time equivalent students is described in the following table for the years, 1969-70 (actual), 1970-71 and 1971-72.

NET GENERAL FUND EXPENDITURES PER FULL-TIME EQUIVALENT STUDENT

	ACTUAL 1969-70	ESTIMATED 1970-71	ESTIMATED 1971-72
TOTALS, ALL COLLEGES	\$1,494	\$1,496	\$1,395
International Program	1,215	1,410	1,426
Chancellor's Office, Academic:			
Senate, trustees audit staff and system allocations	33	38	35
Net General Fund Expenditure Per Student	\$1,527	\$1,534	\$1,430

b Discontinued because of opening of California State College, Bakersfield.

THE CALIFORNIA STATE COLLEGES—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2							
3							
4	Net Totals, Salaries and Wages	25,696.2	27,997.5	27,876.3	\$270,435,177	\$303,280,774	\$313,328,595
5	Staff benefits	-	-	-	25,347,922	29,459,871	31,292,801
6							
7	Totals, Personal Services	25,696.2	27,997.5	27,876.3	\$295,783,099	\$332,740,645	\$344,621,396
8	Operating expenses and equipment				\$61,164,487	\$72,480,077	\$76,342,359
9	General expense				(41,547,505)	(50,477,837)	(53,315,321)
10	Travel expense				(1,950,547)	(2,242,831)	(2,356,163)
11	Facilities expense				(9,269,143)	(10,641,156)	(11,642,798)
12	Subsistence and personal care				(639,574)	(901,379)	(976,171)
13	Contractual services				(255,302)	(289,494)	(209,436)
14	Equipment				(4,292,660)	(4,294,562)	(4,174,889)
15	Special funds				(3,209,756)	(3,632,818)	(3,667,581)
16							
17	Totals, Expenditures				\$356,947,586	\$405,220,722	\$420,963,755
18	Reimbursements:						
19	Federal				-19,119,969	-29,571,375	-32,484,029
20	Other				-43,762,590	-54,233,169	-61,126,580
21							
22	Totals, Expenditures, State Operations				\$294,065,027	\$321,416,178	\$327,353,146
23	General Fund				284,962,524	310,597,216	315,972,193
24	Extension Program Revenue Fund				3,296,408	4,273,608	4,723,164
25	Dormitory Revenue Fund				4,016,311	4,664,144	4,718,193
26	Auxiliary Enterprise Fund				221,784	227,321	225,516
27	Parking Revenue Fund				1,568,000	1,653,889	1,714,080
28							
29							
30	GENERAL FUND						
31							
32	PERSONAL SERVICES						
33	Net Totals, Salaries and Wages	24,852.7	26,970.7	26,787.1	\$264,865,069	\$296,460,753	\$306,022,663
34	Staff benefits	-	-	-	25,025,283	29,093,748	30,885,361
35							
36	Totals, Personal Services	24,852.7	26,970.7	26,787.1	\$289,890,352	\$325,554,501	\$336,908,024
37							
38	OPERATING EXPENSES AND EQUIPMENT				\$57,954,731	\$68,847,259	\$72,674,778
39	General expense				(41,547,505)	(50,477,837)	(53,315,321)
40	Travel expense				(1,950,547)	(2,242,831)	(2,356,163)
41	Facilities expense				(9,269,143)	(10,641,156)	(11,642,798)
42	Subsistence and personal care				(639,574)	(901,379)	(976,171)
43	Contractual services				(255,302)	(289,494)	(209,436)
44	Equipment				(4,292,660)	(4,294,562)	(4,174,889)
45							
46	Totals, Expenditures				\$347,845,083	\$394,401,760	\$409,582,802
47	Reimbursements:						
48	Federal				-19,119,969	-29,571,375	-32,484,029
49	Other				-43,762,590	-54,233,169	-61,126,580
50							
51	Net Expenditures (General Fund)				\$284,962,524	\$310,597,216	\$315,972,193
52							
53							
54	EXTENSION PROGRAM REVENUE FUND						
55							
56	PERSONAL SERVICES						
57	Net Totals, Salaries and Wages	259	352.3	378.6	\$2,566,558	\$3,321,815	\$3,600,506
58	Staff benefits	-	-	-	39,638	64,408	71,416
59							
60	Totals, Personal Services	259	352.3	378.6	\$2,606,196	\$3,386,223	\$3,671,922
61							
62	OPERATING EXPENSES AND EQUIPMENT				\$690,212	\$887,385	\$1,051,242
63							
64	Totals, Expenditures (Extension Program Revenue Fund)				\$3,296,408	\$4,273,608	\$4,723,164
65							
66							
67	DORMITORY REVENUE FUND						
68							
69	PERSONAL SERVICES						
70	Net Totals, Salaries and Wages	437.9	505.3	534.4	\$1,933,218	\$2,278,235	\$2,484,092
71	Staff benefits	-	-	-	170,034	181,925	208,460
72							
73	Totals, Personal Services	437.9	505.3	534.4	\$2,103,252	\$2,460,160	\$2,692,552
74							
75	OPERATING EXPENSES AND EQUIPMENT				\$1,913,059	\$2,203,984	\$2,025,641
76							
77	Totals, Expenditures (Dormitory Revenue Fund)				\$4,016,311	\$4,664,144	\$4,718,193
78							
79							
80							
81							
82							
83							
84							
85							
86							

THE CALIFORNIA STATE COLLEGES—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1							
2	AUXILIARY ENTERPRISE FUND						
3	PERSONAL SERVICES						
4	Net Totals, Salaries and Wages----	11.2	12.3	12.3	\$75,075	\$77,144	\$78,407
5	Staff benefits -----	-	-	-	6,526	7,593	8,088
6	Totals, Personal Services -----	11.2	12.3	12.3	\$81,601	\$84,737	\$86,495
7	OPERATING EXPENSES AND EQUIPMENT -----						
8	Totals, Expenditures (Auxiliary Enterprise Fund) -----				\$140,183	\$142,584	\$139,021
9					\$221,784	\$227,321	\$225,516
10	PARKING REVENUE FUND						
11	PERSONAL SERVICES						
12	Net Totals, Salaries and Wages ----	135.4	156.9	163.9	\$995,257	\$1,142,827	\$1,142,927
13	Staff benefits -----	-	-	-	106,441	112,197	119,476
14	Totals, Personal Services -----	135.4	156.9	163.9	\$1,101,698	\$1,255,024	\$1,262,403
15	OPERATING EXPENSES AND EQUIPMENT -----						
16	Totals, Expenditures (Parking Revenue Fund) -----				\$466,302	\$398,865	\$451,677
17					\$1,568,000	\$1,653,889	\$1,714,080
18	AUXILIARY OPERATIONS AND STATE COLLEGE FOUNDATIONS—SPECIAL PROJECTS						
19	Auxiliary operations -----				\$42,656,538	\$44,535,260	\$46,331,870
20	State college foundations—special projects -----				21,202,585	19,082,329	17,174,096
21	Expenditures ^a (Auxiliary Operations and State College Foundations—Special Projects) -----				\$63,859,123	\$63,617,589	\$63,505,966
22	APPROPRIATIONS						
23	Support, Item 288 (General Fund) -----						\$315,814,736
24	Support, Item 289 (General Fund) -----						157,457
25	State operations, continuing appropriation (Extension Program Revenue Fund) -----						4,723,164
26	State operations, continuing appropriation (Dormitory Revenue Fund) -----						4,718,193
27	State operations, continuing appropriation (Auxiliary Enterprise Fund) -----						225,516
28	State operations, continuing appropriation (Parking Revenue Fund) -----						1,714,080
29	State operations, auxiliary operations and State College Foundations—special projects -----						(63,505,966)
30							
31	REVENUES				ACTUAL	ESTIMATED	PROPOSED
32					1969-70	1970-71	1971-72
33							
34	General Fund -----				\$59,446	\$50,000	\$50,000
35	Extension Program Revenue Fund -----				3,606,162	4,651,025	5,316,104
36	Dormitory Revenue Fund -----				7,106,575	7,696,368	7,874,653
37	Auxiliary Enterprise Fund -----				213,740	232,007	239,357
38	Parking Revenue Fund -----				3,424,283	3,429,718	3,715,000

^a These expenditures are not included in Functional Summary. They are included in Program Summary. See page 290.

THE CALIFORNIA STATE COLLEGES—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	California State Colleges—Capital Outlay			
2				
3				
4	Major projects -----	\$66,205,481	\$78,524,247	\$49,349,550
5	Minor projects -----	1,959,120	600,000	-
6				
7	Totals, Expenditures -----	\$68,164,601	\$79,124,247	\$49,349,550
8	General Fund -----	-	250,000	-
9	Capital Outlay Fund for Public Higher Education -----	23,833,018	10,822,297	-
10	State Construction Program Funds -----	26,727,107	25,903,726	-
11	Federal funds ^h -----	10,215,903	30,672,069	-
12	Nonstate funds ¹ -----	7,388,573	11,476,155	36,497,250
13	State College Facilities Revenue Fund ¹ (Student Health Cen-			
14	ters) -----	-	-	12,852,300

GENERAL ANALYSIS

Capital outlay expenditures for the state colleges in the amount of \$49,349,550 is proposed for the 1971-72 fiscal year. This total amount is to be from nonstate sources to finance facilities such as residence halls, college unions, parking facilities, health centers and other special projects. Chapter 800, Statutes of 1970, set up a special fund, "State College Facilities Revenue Fund" to finance student health centers and at the same time mandated these projects to be approved by the Legislature. Student health centers projects in the amount of \$12,852,300 are proposed for the 1971-72 fiscal year.

Assembly Concurrent Resolution 151, adopted August 27, 1970, increased the utilization of classroom space at the three segments of higher education.

This modification increased the capacity of the existing and funded state college facilities to 236,955 FTE which will accommodate the enrollments through 1973-74. Subsequent to 1973-74, new capacity facilities to accommodate approximately a 10 percent growth per year will be required.

In response to the action taken by the Board of Trustees of the California State Colleges, it is anticipated that legislation will be introduced during the 1971 legislative session which would establish an educational fee at the state colleges. If this legislation is successful, basic capital outlay needs for 1971-72 can be provided for, consistent with the policy already adopted by the Regents of the University of California.

APPROPRIATIONS

Capital outlay (major projects), Item 301 (nonstate funds, State College Facilities Revenue Fund) -----	\$12,852,300
Capital outlay (Nonstate funds) -----	36,497,250

CALIFORNIA MARITIME ACADEMY

Located at Morrow Cove, Vallejo

GENERAL ANALYSIS

To train qualified young men in the maritime sciences to provide the merchant marine industry with licensed officer personnel.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Classroom Instruction -----	22.6	22.6	21.6	315,782	318,613	299,212
II. Sea Training -----	22.1	22.1	22.1	298,913	329,162	321,108
III. Residential -----	15.8	15.8	15.8	196,144	207,814	215,250
IV. Adm. and Institutional Services -----	22	23.6	22.6	402,291	405,213	427,475
TOTALS, PROGRAMS -----	82.5	84.1	82.1	1,213,130	1,260,802	1,263,045
Reimbursements -----				-192,676	-240,571	-256,645
NET TOTALS, PROGRAMS -----				1,020,454	1,020,231	1,006,400
General Fund -----				808,125	803,631	791,000
Federal funds ^a -----				212,329	216,600	215,400

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

Significant changes have been taking place recently in the maritime industry which are sharply reducing the employment opportunities for California Maritime Academy graduates. The U.S. Maritime Ad-

ministration issued a report in February 1970 which projects a decline in the number of ships in the U.S. Flag merchant fleet from 967 to 627 in the next 10 years. This means that there will be a substantial

¹ Nonstate funds as submitted by the Trustees of the California State Colleges.

^a Neither receipts nor expenditures of federal funds are included in the overall budget totals.

^g Expenditures from bond funds not included in overall budget totals.

^h Neither receipts nor expenditures of federal funds are included in overall budget totals.

CALIFORNIA MARITIME ACADEMY—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

surplus of maritime officers in relation to the available jobs. Because of this surplus of supply over demand, the U.S. Maritime Administration has announced the elimination of its \$600 per student support for the new state maritime academy students.

In response to the employment problem the two maritime officer unions have adopted new regulations this past year to protect jobs for their present union members. They have thereby restricted and reduced

opportunities for State Maritime Academy graduates to secure employment as maritime officers.

The Department of Finance is now studying the impact of these recent developments on the California Maritime Academy, and will report to the Legislature during the session on the most current status of these changes.

In the meantime the Maritime Academy budget for 1971-72 is proposed at approximately the current level.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	82.5	84.1	82.1	\$789,536	\$839,895	\$831,575
Staff benefits -----	-	-	-	81,064	90,700	91,080
Totals, Personal Services -----	82.5	84.1	82.1	\$870,600	\$930,595	\$922,655
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$198,131	\$209,658	\$215,417
Travel -----				67,467	69,199	69,389
Facilities expense -----				43,791	50,700	54,644
Equipment -----				33,141	650	940
Totals, Operating Expenses and Equipment -----				\$342,530	\$330,207	\$340,390
Totals, Expenditures -----				\$1,213,130	\$1,260,802	\$1,263,045
Reimbursements -----				-192,676	-240,571	-256,645
Totals, Expenditures, State Operations -----				\$1,020,454	\$1,020,231	\$1,006,400
General Fund -----				808,125	803,631	791,000
Federal funds -----				212,329	216,600	215,400
APPROPRIATIONS						
Support, Item 290 (General Fund) -----						\$791,000
Support, grants (Federal funds) -----						215,400
REVENUES				ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
General Fund -----				\$359	-	-
SUMMARY--CAPITAL OUTLAY				ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
California Maritime Academy--Capital Outlay						
Major projects -----				\$242,200	\$37,800	-
Minor projects -----				4,500	47,400	-
Totals, Expenditures (General Fund) -----				\$246,700	\$85,200	-

GENERAL ANALYSIS

The Maritime Academy is located in Vallejo near the north end of the Carquinez Bridge and will have an average enrollment of 230 students in 1971-72. The campus occupies 67 acres, and permanent facili-

ties consists of two classroom buildings, engineering building, library, administration buildings, seaman-ship building, messhall, residence hall, and a gymnasium with pool.

BOARD OF GOVERNORS OF THE COMMUNITY COLLEGES

GENERAL ANALYSIS

The board provides leadership and direction in the continuing development of community colleges as an integral and effective element in the structure of public higher education in the state. The work of the board is directed to maintaining and continuing, to the maximum degree permissible, local autonomy and control in the administration of the Community Colleges. Within this policy frame of reference the board coordinates and encourages interdistrict regional and statewide development of public community college programs and facilities; reviews and approves academic master plans and master plans for facilities for each community college district; exercises general supervision over the formation and reorganization of community college districts and advisory service to county committees on school district organization; reviews and approves all educational programs and individual courses not part of an educational program; facilitates articulation with other segments of higher education and secondary education; represents the Community Colleges before state and national legislative and executive agencies; administers state and federally supported programs for which the Board of Governors has responsibility pursuant to state or federal law; plans for and advises on financial

assistance for districts and scholarship programs for students; establishes minimum standards to govern student academic standards relating to graduation requirements, probation, dismissal, and readmission policies; establishes minimum standards for the employment of academic and administrative staff in community colleges. The board is also directed to conduct necessary statewide research on community college problems and to provide information services for the purposes of uniform reporting and analysis of data for effective planning and coordination; establish a uniform system of budgeting and accounting for districts; establish space and utilization standards for facility planning in order to determine eligibility for state funds for construction purposes; establish recommended procedures regarding campus site selection; establish criteria and standards for classes held in community colleges; establish procedures governing interdistrict attendance agreements and restrictions on attendance between districts; establish minimum procedures to be used by district governing boards to insure to faculty and students the opportunity to express their opinions at the campus level and to insure these opinions are given every reasonable consideration.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Executive -----	6.3	8.3	7.3	\$129,260	\$153,986	\$158,811
II. Academic and Student Affairs----	9.4	16.5	16.5	182,127	329,389	353,970
III. Vocational Education (occupational) -----	23.6	25.9	27.9	462,034	563,248	617,403
IV. Fiscal Affairs -----	11.2	21.2	21.2	217,989	501,920	412,080
V. Special Programs -----	-	10	9	-	169,025	198,769
VI. Administration and Public Affairs	6.8	21.8	15.8	128,170	389,193	267,557
VII. Extended Opportunity Programs and Services -----	-	-	-	2,940,373	4,505,347	3,350,000
VIII. Psychiatric Technician Training	-	-	-	-	100,000	100,000
TOTALS, PROGRAMS -----	57.3	103.7	97.7	\$4,059,953	\$6,712,108	\$5,458,590
Reimbursements -----				-445,440	-1,235,179	-1,029,016
NET TOTALS, PROGRAMS -----				\$3,614,513	\$5,476,929	\$4,429,574
General Fund -----				3,614,513	5,376,929	4,329,574
Vocational Nurse and Psychiatric Technician Examiners' Fund				-	100,000	100,000

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

One new federally funded position will be added to the Academic and Student Affairs Division to provide statewide consultation in the area of vocational counseling.

Beginning in July 1971 the entire cost of the Vocational Education Division (occupational education) will be funded from federal sources. Two new positions will be added to this division.

A division has been added in 1970 to conduct special studies funded from nonstate or federal sources. Included for 1971-72 are a study of community college student characteristics and continuation of development of a state plan for expanding educational opportunities to areas of the state not now adequately served.

The extended opportunity programs at the community colleges began to operate early in 1970. It is still too early to evaluate or to compare their long-term effectiveness. For this reason the support for this program in 1971-72 is proposed on the basis of maintaining the 1970-71 level of support from both state and federal funding sources combined. (See Higher Educational Opportunity Programs).

During 1970-71 and 1971-72 the Board of Governors is establishing and operating training programs for psychiatric technicians pursuant to Chapter 1324, Statutes of 1970. This bill appropriates \$200,000 from the Vocational Nurse and Psychiatric Technicians Examiners Fund for this purpose during the two year period.

BOARD OF GOVERNORS OF THE COMMUNITY COLLEGES—Continued

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES—Continued

The Board of Governors began issuing credentials for community college personnel in July 1970. The first year's application rate required nine man-years of staff, the ongoing application rate thereafter will require three man-years of staff.

The Department of Finance has requested the Board of Governors to explore the alternative of con-

tracting with the new Commission for Teacher Preparation and Licensing for administrative tasks involved in the processing of community college credentials. It is possible that economies of scale might be realized through such an arrangement. The new commission is expected to go into operation early in 1971.

RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
STATE OPERATIONS						
PERSONAL SERVICES						
Net salaries and wages -----	57.3	103.7	97.7	\$749,119	\$1,379,806	\$1,377,475
Staff benefits -----	-	-	-	63,324	137,392	155,019
Totals, Personal Services -----	57.3	103.7	97.7	\$812,443	\$1,517,198	\$1,532,494
OPERATING EXPENSES AND EQUIPMENT						
General expense -----				\$99,710	\$177,687	\$164,011
Travel -----				91,654	112,296	105,204
Facilities expense -----				39,190	56,414	50,121
Contractual services -----				55,263	209,887	140,341
Equipment -----				21,320	33,279	16,419
Psychiatric technician training -----				-	100,000	100,000
Totals, Operating Expenses and Equipment -----				\$307,137	\$689,563	\$576,096
Totals, Expenditures -----				\$1,119,580	\$2,206,761	\$2,108,590
Reimbursements -----				-445,440	-1,235,179	-1,029,016
Totals, Expenditures, State Operations -----				\$674,140	\$971,582	\$1,079,574
General Fund -----				674,140	871,582	979,574
Vocational Nurse and Psychiatric Technician Examiners' Fund -----				-	100,000	100,000
LOCAL ASSISTANCE						
Extended Opportunity Programs (General Fund) -----				\$2,940,373	\$4,505,347	\$3,350,000
APPROPRIATIONS						
Support, Item 291 (General Fund) -----						\$979,574
Local assistance, Item 292 (General Fund) -----						3,350,000
State Operations, Chapter 1324, Statutes of 1970 (Vocational Nurse and Psychiatric Technician Examiners' Fund) -----						100,000

BOARD OF GOVERNORS OF THE COMMUNITY COLLEGES—Continued

LINE	SUMMARY—CAPITAL OUTLAY	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
1	Board of Governors of the Community Colleges—Capital Outlay			
2				
3				
4	Major projects -----	\$47,874,875	\$41,014,860	\$18,262,849
5				
6	Totals, Expenditures -----	\$47,874,875	\$41,014,860	\$18,262,849
7	State Construction Program Fund -----	2,419,415	19,136,988	26,510,959
8	State Construction Program Fund (reserve account) -----	19,307,550	5,111,458	-16,000,000
9	District funds -----	21,305,714	16,608,610	7,751,890
10	Federal funds, state -----	2,342,196	157,804	-
11	Federal funds, district -----	2,500,000	-	-
12	Anticipated federal reimbursements, state funds -----	-	(1,700,000)	(1,700,000)
13	Anticipated federal reimbursements, district funds -----	-	(1,700,000)	(1,700,000)
14				
15				
16				
17				
18	GENERAL ANALYSIS			
19	Included in the 1971-72 budget is a proposed capital outlay program of \$18,262,849. Of this amount,			
20	the state's share is \$10,510,959, and will be matched			
21	by \$7,751,890 of district funds. Also, \$16,000,000 is			
22	proposed from the Junior College Construction Bond			
23	Act of 1968 to finance a portion of the projects shown			
24	in priority schedule II through IX, Item, 417,			
25	Budget Act of 1969 to offset the transfer of \$16,000,-			
26	000 to the State School Fund from the State Con-			
27	struction Program Fund (reserve account). In addi-			
28	tion, it is anticipated that 3.4 million dollars of			
29	federal grant funds will be made available during the			
30	1971-72 fiscal year. The appropriations proposed rep-			
31	resent the balance of funds remaining in the 1968			
32	bond act. Looking forward to the continuing need of			
33	capital outlay programs for the California Community			
34	Colleges, the Legislature is now faced with the prob-			
35	lem of providing for the future physical facilities to			
36	accommodate the growth of the community colleges.			
37				
38				
39	APPROPRIATIONS			
40				
41	Capital Outlay, Item 309 (State Construction Program Fund) -----			\$10,510,959
42	Capital Outlay, Item 310 (State Construction Program Fund) -----			16,000,000
43	Other:			
44	Capital Outlay (district funds) -----			7,751,890
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STATE SCHOLARSHIP AND LOAN COMMISSION

Headquarters Office in Sacramento

GENERAL ANALYSIS

The State Scholarship and Loan Commission, created in 1955 to administer the State Scholarship Program, now administers four active programs of student financial assistance and maintains responsibility for loans guaranteed under the State Guaranteed Loan

Program which no longer guarantees new loans.

The State Scholarship and Loan Commission consists of nine members appointed by the Governor for four-year terms.

PROGRAM REQUIREMENTS	PERSONNEL MAN-YEARS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
	69-70	70-71	71-72			
I. Scholarship Program	24.5	39.3	49.7	\$11,325,229	\$14,233,082	\$16,631,754
II. Graduate Fellowship Program	2.1	2.1	2.3	718,382	991,707	391,107
III. College Opportunity Grant Program	6.5	9.2	10	899,181	1,772,271	2,955,239
IV. Guaranteed Loan Program	5.3	6.2	2.2	59,747	48,612	31,299
V. Children of Deceased Peace Officers	-	-	-	-	-	21,900
VI. Administration	-	-	-	-	-	-
Undistributed	-	-	-	58,903	-	-
Distributed	(4.3)	(4.3)	(4.3)	-	(95,975)	(103,899)
TOTALS, PROGRAM	38.4	56.8	64.2	\$13,061,442	\$17,045,672	\$20,031,299
General Fund				13,001,695	16,997,060	20,000,000
Guaranteed Loan Reserve Fund				59,747	48,612	31,299

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The College Opportunity Grant Program has achieved notable results in achieving its objectives as indicated by the fact that the average grade point average of the 1,000 college opportunity grant winners in 1970-71 was 3.01 on a 4-point scale. As a result of this proven record the budget includes an increase in state support from \$1.8 million in 1970-71 to \$2.9 million in 1971-72 for this program.

The number of new state scholarship winners was increased from 2 percent to 3 percent of the high school graduates by Chapter 292 (Assembly Bill 31—Monagan), Statutes of 1970. As a result, the total number of scholarship awards will increase by 5,595 in 1971-72, and will progressively increase until 1973-74, when the level of renewals will include the full four-year effect of the expansion of the program.

In order to accommodate the increased number of awards in 1971-72 the budget includes a \$2.4 million augmentation over 1970-71 for a 16.8 percent in-

crease in the General Fund support for this program.

The average amount of each annual award is reduced by \$120 on the basis that this student financial need can be met in 1971-72 by an expected expansion of the Federal Guaranteed Loan Program.

A new program of scholarships for the children of deceased peace officers is included pursuant to Chapter 1616, Statutes of 1969, with a proposed expenditure of \$21,900 from the General Fund.

No funds are proposed for new state graduate fellowships, and a reduction in the average annual awards for renewals from \$1,013 to \$950 is recommended. This program was initiated in 1965 in order to increase the supply of college and university teachers. However there is evidence that the supply of college teachers now exceeds the demand so that emphasis on the objective of this program may actually aggravate the present surplus problem.

SCHOLARSHIPS AND LOANS GRANTED

	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
Scholarship Program:			
Number of awards	13,514	15,914	21,509
Amount	\$11,031,705	\$13,774,359	\$16,024,205
Average cost	816	865	745
Fellowship Program:			
Number of awards	797	938	380
Amount	\$701,111	\$950,000	\$361,000
Average cost	880	1,013	950
College Opportunity Grant Program:			
Number of awards	1,000	1,720	2,392
Amount	\$833,438	\$1,645,021	\$2,810,320
Average cost	833	956	1,174
Peace Officers Program:			
Number of stipends (peace officers dependents)	-	-	20
Amount	-	-	\$20,000
Average cost	-	-	1,000
Administration	\$435,441	\$627,680	\$784,475
Guaranteed Loan Program Administration	\$59,747	\$48,612	\$31,299

STATE SCHOLARSHIP AND LOAN COMMISSION—Continued

LINE	RECAPITULATION BY OBJECT	NO. OF POSITIONS			ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
		69-70 (Filled)	70-71 (Auth.)	71-72 (Auth.)			
1	STATE OPERATIONS						
2	PERSONAL SERVICES						
3	Net salaries and wages-----	38.4	56.8	64.2	\$289,642	\$388,794	\$476,884
4	Staff benefits-----	-	-	-	29,872	55,113	58,973
5	Totals, Personal Services-----	38.4	56.8	64.2	\$319,514	\$443,907	\$535,857
6	OPERATING EXPENSES AND EQUIPMENT						
7	General expense-----				\$96,597	\$121,014	\$146,123
8	Travel-----				17,648	21,000	28,480
9	Awards-----				12,566,254	16,369,380	19,215,525
10	Contractual services-----				50,237	77,477	87,873
11	Equipment-----				11,192	12,894	17,441
12	Totals, Operating Expenses and Equipment-----				\$12,741,928	\$16,601,765	\$19,495,442
13	Totals, Expenditures-----				\$13,061,442	\$17,045,672	\$20,031,299
14	General Fund-----				13,001,695	16,997,060	20,000,000
15	Guaranteed Loan Reserve Fund-----				59,747	48,612	31,299
16	APPROPRIATIONS						
17	Support, Item 293 (General Fund)-----						\$20,000,000
18	Support, Item 294 (Guaranteed Loan Reserve Fund)-----						31,299
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HIGHER EDUCATIONAL OPPORTUNITY PROGRAMS

GENERAL ANALYSIS

In order to furnish equal educational opportunities for disadvantaged students to pursue a college or university education, the State Scholarship and Loan Commission and all segments of higher education are providing educational opportunity programs.

The state is supporting a program of college opportunity grants administered by the State Scholarship and Loan Commission and educational opportunity programs administered by the Board of Trustees

of the State Colleges and the Board of Governors of the Community Colleges.

The University of California is supporting its educational opportunity programs from other than general funds; and the federal government is supporting a program of educational opportunity grants for low-income students in almost all public and private colleges and universities in the state.

PROGRAM REQUIREMENTS	ACTUAL 1969-70	ESTIMATED 1970-71	PROPOSED 1971-72
State support for higher educational opportunity programs (General Fund) -----	\$6,061,223	\$9,587,201	\$8,107,548
Less Amounts Included in the Following Budgets:			
State Scholarship and Loan Commission -----	-899,181	-1,772,271	-2,955,239
Board of Trustees of the State Colleges -----	-2,221,669	-3,309,583	-1,652,000
Board of Governors of the California Community Colleges -----	-2,940,373	-4,505,347	-3,500,309
Estimated federal support for educational opportunity grants *	10,779,580	15,908,000	18,873,500
Less Federal Allocations Made Directly to Institutions in the Following Segments of Higher Education:			
University of California -----	-2,568,000	-2,869,000	-2,900,000
State colleges -----	-4,234,580	-6,373,000	-8,073,500
Community colleges -----	-1,382,000	-3,611,000	-4,800,000
Private institutions -----	-2,595,000	-3,055,000	-3,100,000
TOTALS, HIGHER EDUCATIONAL OPPORTUNITY PROGRAMS -----	\$16,840,803	\$25,495,201	\$26,981,048
Less general funds provided elsewhere in the budget and federal funds not included in the budget * -----	-16,840,803	-25,495,201	-26,981,048
NET TOTALS -----	-	-	-

HIGHLIGHTS OF PROGRAM OR WORKLOAD CHANGES

The state established and began providing General Fund support to its higher educational opportunity programs in 1969-70. These programs represent new and innovative approaches in furnishing equal opportunities for disadvantaged students to pursue a college or university education. Most of these programs are still too new to determine their long-term effectiveness. However the College Opportunity Grant Program administered by the State Scholarship and Loan Commission has already achieved notable results in attaining its objectives. For example, the average grade point average of the 1,000 college opportunity grant winners in 1970-71 was 3.01 on a four-point scale.

As a result of its proven record the budget includes an increase in state support from \$1.8 million in 1970-71 to \$2.9 million in 1971-72 for this program.

The Budget Act of 1970 directed the Coordinating Council for Higher Education to make an evaluation of educational opportunity programs in all segments of public higher education for an annual report on findings and recommendations to the Governor and

the Legislature. The Coordinating Council for Higher Education is now gathering data from the segments, making field visits to the institutions, and indicates that they will be able to issue a report in March. However at the present time there is not sufficient evidence available to evaluate or to compare the long-term effectiveness of these programs. For this reason the budgets for educational opportunity programs at the state colleges and community colleges are proposed on the basis of maintaining the 1970-71 level of support from both state and federal funding sources combined.

The University of California, which supports its EOP programs from other than the state's General Fund, plans to increase its EOP program budget from an estimate of \$8 million in 1970-71 to \$8.9 million in 1971-72.

The Department of Finance is gathering information on all financial aid programs for economically needy students in California colleges and universities, and plans to prepare an analysis of this data by program for presentation later in the legislative session.

* These federal funds are not included in the budget totals because the federal allocations are made directly to the higher education institutions.

HIGHER EDUCATIONAL OPPORTUNITY PROGRAMS—Continued

LINE	EXPENDITURES	ACTUAL 1968-69	ACTUAL 1969-70	ESTIMATED 1970-71	ESTIMATED 1971-72
1					
2	STATE				
3					
4	General Fund				
5					
6	State Scholarship and Loan Commission:				
7	College opportunity grants -----	—	\$899,181	\$1,772,271	\$2,955,239
8	State colleges EOP -----	—	2,221,669	3,309,583	1,652,000
9	Community colleges EOP -----	—	2,940,373	4,505,347	3,500,309
10					
11	Totals, General Fund -----	—	\$6,061,223	\$9,587,201	\$8,107,548
12					
13	Federal				
14					
15	Educational Opportunity Grants:				
16	University of California -----	\$2,343,000	\$2,568,000	\$2,869,000	\$2,900,000
17	State colleges -----	2,825,000	4,234,580	6,373,000	8,073,500
18	Community colleges -----	909,000	1,382,000	3,611,000	4,800,000
19	Private institutions -----	2,648,000	2,595,000	3,055,000	3,100,000
20					
21	Totals, Educational Opportunity Grants -----	\$8,725,000	\$10,779,580	\$15,908,000	\$18,873,500
22					
23	TOTALS, ALL FUNDS -----	\$8,725,000	\$16,840,803	\$25,495,201	\$26,981,048
24					
25	STUDENTS				
26					
27	State Scholarship and Loan Commission:				
28	College opportunity grant recipients -----	—	1,000	1,720	2,392
29	State Colleges:				
30	Award recipients -----	5,530	9,848	16,683	17,383
31	Community Colleges:				
32	Award recipients -----	2,270	16,572	16,565	16,600
33	University of California:				
34	EOG award recipients -----	4,257	4,196	5,216	5,300
35	Private Institutions:				
36	EOG award recipients -----	5,000	4,331	5,556	5,600
37					
38	TOTALS * -----	17,057	35,947	45,740	47,275

* Includes duplication to the extent that students receive both state EOP and federal EOG grants.

SCHEDULES

<i>Schedules</i>	<i>Page</i>
2. Comparative Statement of Revenues -----	B- 1
3. Comparative Statement of Expenditures -----	B- 3
4. Summary of Fund Condition by Funds -----	B-15
5. Statement of Balances in Other Treasury Funds -----	B-18
6. Comparative Statement of Expenditures of Federal Funds --	B-23
7. Summary of Proposed Expenditures by Method of Appropri- ation -----	B-28
8. Comparative Statement of Controllable Expenditures and Fixed Charges -----	B-30
9. Reconciliation of Changes in Expenditures from Previous Budget Estimates -----	B-33
10. Statement of Bonded Debt -----	B-35
11. Comparative Statement of Expenditures, Capital Outlay ----	B-36
12. Comparative Statement of Expenditures of Federal Aid— Capital Outlay -----	B-41
13. Summary of Proposed Expenditures by Method of Appropri- ation—Capital Outlay -----	B-42
14. Comparative Statement of Expenditures Authorized by the Budget Act—Capital Outlay -----	B-44
15. Reconciliation of Changes in Expenditures from Previous Budget Estimates—Capital Outlay -----	B-45



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B-1

Schedule 2—COMPARATIVE STATEMENT OF REVENUES; FISCAL YEARS 1969-70, 1970-71, AND 1971-72—Continued

Sources	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
OTHER REVENUES—Continued									
Oil and Gas Revenues:									
Revenues Collected by State Lands Division ^a	3,110,584	22,812,920	25,923,504	2,349,070		2,349,070	2,130,800	3,826,200	5,957,000
Federal Lands		2,390,052	2,390,052		2,367,408	2,367,408		2,300,000	2,300,000
Other	336,721		336,721	486,000		486,000	486,000		486,000
Penalties and Interest on Unemployment Contributions		3,048,815	3,048,815		3,095,000	3,095,000		3,296,500	3,296,500
Penalties on Traffic Violations		4,865,942	4,865,942	14,750,000	4,501,800	19,251,800	16,400,000	4,611,600	21,011,600
Penalties on Criminal Convictions	15,323,947	3,087,432	3,087,432		2,878,200	2,878,200		2,948,400	2,948,400
Secretary of State—Fees and Miscellaneous	3,772,316		3,772,316	4,093,104		4,093,104			4,578,871
Transportation Rate Fund		5,431,533	5,431,533		5,242,500	5,242,500		5,630,000	5,630,000
Proceeds under Unclaimed Property Act	2,522,168		2,522,168	2,250,000		2,250,000	2,250,000		2,250,000
Sales of State Property	2,775,585	42,248	2,817,833	3,463,250	80,000	3,543,250	3,158,000		3,158,000
State Beach and Park Service Fees	5,673,304		5,673,304	5,940,000		5,940,000	6,660,000		6,660,000
Not Otherwise Classified	12,967,975	20,309,336	33,276,411	12,895,713	64,476,203	77,371,916	10,403,412	17,009,504	27,412,916
TOTAL, OTHER REVENUES	\$201,661,647	\$131,916,342	\$333,577,989	\$194,261,669	\$148,812,257	\$343,073,926	\$195,041,158	\$104,013,235	\$299,054,393
TOTAL, REVENUES	\$4,327,268,960	\$1,415,173,878	\$5,742,442,838	\$4,562,590,313	\$1,481,030,999	\$6,043,621,312	\$5,032,925,108	\$1,503,929,285	\$6,536,854,393
OTHER INCOME—TRANSFERS:									
California Museum of Science and Industry Fund				\$ + 166,401	\$ - 166,401				
California Water Fund ^b		\$ - 75,544	\$ - 75,544		- 948,562	\$ - 948,562			
California Water Fund				+ 13,740,000	- 13,740,000		\$ + 3,300,000	\$ - 3,300,000	
Capital Outlay Fund for Public Higher Education				+ 31,700,000	- 31,700,000				
Department of Human Resources Development Contingent Fund	\$ + 2,799,189	- 2,799,189		+ 2,754,605	- 2,754,605		+ 2,904,864	- 2,904,864	
Judges' Retirement Fund ^c				+ 250,000		+ 250,000			
Poultry Testing Project Fund	+ 27,058	- 27,058							
Service Revolving Fund ^c	+ 139,270	+ 139,270		+ 90,298		+ 90,298			
State Employees Contingency Reserve Fund ^c				+ 1,800,000		+ 1,800,000			
State Water Quality Control Fund ^c	+ 250,000		+ 250,000						
TOTAL, OTHER INCOME	\$ + 3,215,517	\$ - 2,901,791	\$ + 313,726	\$ + 50,501,304	\$ - 49,309,568	\$ + 1,191,736	\$ + 6,204,864	\$ - 6,204,864	
TOTAL INCOME	\$4,330,484,477	\$1,412,272,087	\$5,742,756,564	\$4,613,091,617	\$1,431,721,431	\$6,044,813,048	\$5,039,129,972	\$1,497,724,421	\$6,536,854,393

^a Includes oil royalties and bid bonuses.

^b Transfers to the Central Valley Water Project Construction Fund pursuant to Chapter 411, Statutes of 1968.

^c Not recorded as a reduction in special funds as these funds are not governmental cost funds and receipts are not included in budget totals.

**COMPARATIVE STATEMENT OF EXPENDITURES BY CHARACTER, FUNCTION, ORGANIZATION UNIT AND FUND
FOR FISCAL YEARS 1969-70, 1970-71, AND 1971-72**

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72			
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total	
STATE OPERATIONS											
GENERAL GOVERNMENT:											
Legislative:											
2	Legislature.....	\$25,429,196	\$ - 3,263,629	\$22,165,567	\$24,975,057	\$2,195,265	\$27,170,322	\$25,792,358	\$800,000	\$26,592,358	
4	Legislative Counsel Bureau.....	1,625,395	-----	1,625,395	1,861,420	-----	1,861,420	1,932,474	-----	1,932,474	
7	Law Revision Commission.....	159,703	-----	159,703	168,599	-----	168,599	169,000	-----	169,000	
8	Commission on Uniform State Laws.....	12,177	-----	12,177	15,400	-----	15,400	15,400	-----	15,400	
9	Contributions to Legislators Retirement Fund.....	540,000	-----	540,000	550,000	-----	550,000	876,229	-----	876,229	
	Totals, Legislative.....	\$27,766,471	\$ - 3,263,629	\$24,502,842	\$27,570,476	\$2,195,265	\$29,765,741	\$28,785,461	\$800,000	\$29,585,461	
Judicial:											
10	Judicial—Supreme Court, Appellate Courts and Judicial Council.....	\$7,754,070	\$10,145	\$7,764,215	\$8,277,188	\$11,856	\$8,289,044	\$8,425,000	\$13,702	\$8,438,702	
16	Commission on Judicial Qualifications.....	49,178	-----	49,178	43,926	-----	43,926	44,000	-----	44,000	
18	Contributions to Judges Retirement Fund.....	154,183	-----	154,183	176,622	-----	176,622	178,763	-----	178,763	
	Totals, Judicial.....	\$7,957,431	\$10,145	\$7,967,576	\$8,497,736	\$11,856	\$8,509,592	\$8,647,763	\$13,702	\$8,661,465	
Executive:											
Governor's Office											
19	Governor.....	\$1,594,236	-----	\$1,594,236	\$1,594,588	-----	\$1,594,588	\$1,705,632	-----	\$1,705,632	
21	Secretary for Agriculture and Services.....	91,633	-----	91,633	99,266	-----	99,266	105,643	-----	105,643	
22	Secretary for Business and Transportation.....	-----	\$107,146	107,146	-----	\$112,200	112,200	114,100	\$114,100	114,100	
24	Secretary for Human Relations.....	144,229	-----	144,229	155,040	-----	155,040	157,572	-----	157,572	
26	Secretary for Resources.....	182,713	-----	182,713	201,951	-----	201,951	213,100	-----	213,100	
32	Office of Emergency Services.....	1,030,512	-----	1,030,512	957,567	-----	957,567	957,000	-----	957,000	
36	Office of Intergovernmental Management.....	-----	-----	-----	41,352	-----	41,352	40,000	-----	40,000	
38	Office of Planning and Research.....	-----	-----	-----	43,047	-----	43,047	84,957	-----	84,957	
40	Lieutenant Governor.....	232,494	-----	232,494	237,700	-----	237,700	360,000	-----	360,000	
46	Council on Intergovernmental Relations.....	138,791	-----	138,791	125,000	-----	125,000	119,000	-----	119,000	
49	Environmental Quality Study Council.....	69,386	-----	69,386	86,706	-----	86,706	86,994	-----	86,994	
52	Intergovernmental Board on Electronic Data Processing.....	63,453	-----	63,453	11,632	-----	11,632	5,000	-----	5,000	
54	Commission of the Californias.....	36,453	-----	36,453	37,795	-----	37,795	38,000	-----	38,000	
57	Office of Management Services.....	289,786	-----	289,786	633,990	-----	633,990	500,000	-----	500,000	
61	Advisory Commission on Marine and Coastal Resources.....	62,984	-----	62,984	58,745	-----	58,745	49,000	-----	49,000	
63	State Office of Planning.....	-----	-----	-----	40,000	-----	40,000	-----	-----	-----	
	Totals, Executive.....	\$3,936,670	\$107,146	\$4,043,816	\$4,324,379	\$112,200	\$4,436,579	\$4,334,904	\$201,094	\$4,535,998	
General Administration:											
77	Department of Justice.....	\$19,338,580	\$982,682	\$20,321,262	\$22,804,869	\$1,952,925	\$24,757,794	\$23,392,000	\$2,049,263	\$25,441,263	
95	Commission on Peace Officer Standards and Training.....	-----	379,714	379,714	-----	476,963	476,963	547,437	-----	547,437	
109	Council on Criminal Justice.....	75,002	-----	75,002	77,986	-----	77,986	138,286	-----	138,286	
112	Crime Technological Research Foundation.....	76,795	-----	76,795	75,000	-----	75,000	1,000,000	-----	1,000,000	
114	Administration and Payment of Tort Liability Claims.....	837,244	143,856	981,100	1,799,199	-----	1,799,199	1,000,000	-----	1,000,000	
116	Aid to Victims of Crimes of Violence.....	191,565	5,080	196,645	225,000	2,878	227,878	225,000	2,000	227,000	
130	State Controller.....	5,838,878	1,176,649	7,015,527	5,874,862	1,149,577	7,024,439	5,829,862	1,286,527	7,116,389	
162	Board of Equalization.....	23,969,842	2,366,999	26,336,841	24,304,257	2,448,723	26,752,980	25,310,832	2,482,939	27,793,771	

1 Page references relate to appropriate volumes of the Budget Supplemente.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	STATE OPERATIONS—Continued									
	GENERAL GOVERNMENT—Continued									
	General Administration:—Continued									
176	Secretary of State.....	1,650,020		1,650,020	2,258,241		2,258,241	2,154,000		2,154,000
179	Heritage Preservation Commission.....	634		634	800		800	800		800
184	State Treasurer.....	896,267		896,267	958,815		958,815	958,815		958,815
184	State Treasurer—Bond Funds.....		(8,382)	(8,382)		(100,000)	(100,000)		(80,000)	(80,000)
191	Department of Finance.....	4,041,850	110,274	4,152,124	4,091,000		4,091,000	4,091,000		4,091,000
196	Commission on Government Organization and Economy.....	49,043		49,043	53,034		53,034	53,000		53,000
197	Commission on Interstate Cooperation.....	96,037		96,037	99,100		99,100	99,100		99,100
212	Military Department.....	4,662,566		4,662,566	4,523,032		4,523,032	4,597,992		4,597,992
226	Public Utilities Commission.....	6,592,622	5,460,149	12,052,771	6,874,645	5,856,179	12,730,824	6,500,000	5,908,963	12,408,963
	Totals, General Administration— Bond Funds ^a	\$68,316,945	\$10,625,403 (8,382)	\$78,942,348 (8,382)	\$74,019,840	\$11,887,245 (100,000)	\$85,907,085 (100,000)	\$74,350,687	\$12,277,129 (80,000)	\$86,627,816 (80,000)
	Miscellaneous:									
232	Advisory Commission on the Status of Women.....	\$41,668		\$41,668	\$45,522		\$45,522	\$168,000		\$168,000
234	Arts Commission.....	170,997		170,997	168,000		168,000			355,465
238	Horse Racing Board.....		\$331,929	331,929		\$355,465	355,465			
240	Board of Pilot Commissioners for Harbor of San Diego.....	1,200		1,200	700		700			
242	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun.....		27,991	27,991		33,731	33,731		34,224	34,224
243	Board of Harbor Commissioners for Humboldt Bay.....	3,429		3,429	1,500		1,500			3,158,104
244	Personal Services Not Elsewhere Reported.....	1,689,052		1,689,052	2,345,655		2,345,655	3,158,104		3,158,104
245	Refund of Taxes, Licenses, and Other Fees.....	26,847		26,847	20,000		20,000	30,000		30,000
	Totals, Miscellaneous.....	\$1,933,193	\$359,920	\$2,293,113	\$2,581,377	\$389,196	\$2,970,573	\$3,356,104	\$389,689	\$3,745,793
	Debt Service:									
253	Bond Interest and Redemption.....	\$84,414,621		\$84,414,621	\$90,889,061		\$90,889,061	\$103,829,808		\$103,829,808
255	Payment of Interest on General Fund Loans.....	767,256		767,256	9,200,000		9,200,000	14,400,000		14,400,000
	Totals, Debt Service.....	\$85,181,877		\$85,181,877	\$100,089,061		\$100,089,061	\$118,229,808		\$118,229,808
	Unallocated:									
265	Augmentations for Salary Increases.....							\$4,759,000	\$4,632,000	\$9,391,000
270	Reserve for Contingencies.....				\$499,282		\$499,282	1,000,000		1,000,000
271	Legislative Claims.....	\$157,359		\$157,359	155,991		155,991	85,197	6,620	91,817
271	Legislative Claims—Bond Funds ^b		(7,730)	(7,730)		(2,101)	(2,101)			
	Total Unallocated ^b	\$157,359	\$41,264 (7,730)	\$198,623 (7,730)	\$655,273	\$33,766 (2,101)	\$689,039 (2,101)	\$5,844,197	\$4,638,620	\$10,482,817
	TOTALS, GENERAL GOVERNMENT.....	\$195,249,946	\$7,880,249 (16,112)	\$203,130,195 (16,112)	\$217,738,142	\$14,629,528 (102,101)	\$232,367,670 (102,101)	\$243,548,924	\$18,320,234 (80,000)	\$261,869,158 (80,000)
	AGRICULTURE AND SERVICES ¹									
319	Department of Agriculture.....	\$12,694,095	\$10,972,890	\$23,666,985	\$12,315,863	\$13,459,605	\$25,775,468	\$12,178,574	\$8,710,817	\$20,889,391
331	District Agricultural Associations.....	—130,000	3,188,000	3,058,000	—130,000	3,294,000	3,164,000	—473,000	3,286,500	2,813,500
335	Poultry Improvement Commission.....	1,986		1,986						
339	Department of Commerce.....	908,752	440,903	1,349,655	1,282,542		1,282,542	1,274,676		1,274,676

^a Preparing and advertising bonds for sale. Expenditures from bond funds not included in overall budget totals.

^b Legislative claims from bond funds. Expenditures from bond funds not included in overall budget totals.

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72			
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total	
STATE OPERATIONS—Continued											
AGRICULTURE AND SERVICES—Continued											
Department of Consumer Affairs:											
383	Board of Accountancy.....		\$359,181	\$359,181		\$362,099	\$362,099		\$412,419	\$412,419	
384	Board of Architectural Examiners.....		126,243	126,243		139,261	139,261		148,849	148,849	
385	Athletic Commission.....	\$167,620		167,620	\$169,520		169,520	\$152,800		152,800	
386	Board of Barber Examiners.....		444,049	444,049		465,818	465,818		491,001	491,001	
386	Board of Behavioral Science Examiners.....		86,080	86,080		115,465	115,465		140,885	140,885	
387	Cemetery Board.....		76,828	76,828		83,483	83,483		83,793	83,793	
388	Board of Chiropractic Examiners.....		101,106	101,106		106,116	106,116		111,712	111,712	
389	Bureau of Collection and Investigative Services.....		297,194	297,194		313,870	313,870		325,394	325,394	
391	Division of Consumer Services.....	38,800		38,800	10,000		10,000	10,000		10,000	
391	Contractors' License Board.....		2,582,922	2,582,922		2,746,875	2,746,875		2,787,557	2,787,557	
392	Board of Cosmetology.....		766,793	766,793		884,403	884,403		885,993	885,993	
393	Board of Dental Examiners.....		222,405	222,405		300,003	300,003		301,581	301,581	
394	Board of Dry Cleaners.....		298,578	298,578		315,909	315,909		40,000	40,000	
395	Bureau of Employment Agencies.....		214,229	214,229		231,566	231,566		256,903	256,903	
396	Board of Funeral Directors and Embalmers.....		106,379	106,379		107,755	107,755		112,000	112,000	
397	Bureau of Furniture and Bedding Inspection.....		340,211	340,211		429,816	429,816		441,617	441,617	
398	Board of Registration for Geologists.....		57,535	57,535		55,920	55,920	2,600	55,640	55,640	
399	Board of Guide Dogs for the Blind.....	2,250		2,250	2,631		2,631				
399	Board of Landscape Architects.....		37,968	37,968		39,236	39,236		39,519	39,519	
401	Board of Medical Examiners.....		1,054,829	1,054,829		1,284,928	1,284,928		1,318,549	1,318,549	
403	Board of Examiners of Nursing Home Administrators.....					46,639	46,639		78,489	78,489	
404	Board of Nursing Education and Nurse Registration.....		645,763	645,763		743,413	743,413		749,053	749,053	
405	Nurses' Registry.....					8,200	8,200		13,764	13,764	
405	Board of Optometry.....		95,921	95,921		83,366	83,366		84,205	84,205	
406	Board of Osteopathic Examiners.....		13,365	13,365		14,793	14,793		13,788	13,788	
407	Board of Pharmacy.....		661,955	661,955		721,243	721,243		760,819	760,819	
408	Board of Registration for Professional Engineers.....		642,203	642,203		694,937	694,937		719,047	719,047	
409	Bureau of Repair Services.....		251,447	251,447		308,629	308,629		324,411	324,411	
410	Certified Shorthand Reporters' Board.....		37,298	37,298		42,829	42,829		43,012	43,012	
411	Structural Pest Control Board.....		523,819	523,819		555,638	555,638		536,432	536,432	
412	Board of Examiners in Veterinary Medicine.....		78,156	78,156		76,723	76,723		80,724	80,724	
413	Board of Vocational Nurse and Psychiatric Technician Examiners.....		346,356	346,356		439,946	439,946		469,917	469,917	
Totals, Department of Consumer Affairs.....		\$208,670	\$10,468,813	\$10,677,483	\$182,151	\$11,718,879	\$11,901,030	\$165,400	\$11,827,073	\$11,992,473	
AGRICULTURE AND SERVICES—Continued											
Department of Consumer Affairs:											
433	Board of Control.....	\$105,785		\$105,785	\$121,085		\$121,085	\$121,085		\$121,085	
436	State Exposition and Fair Executive Committee.....	1,307,211		1,307,211	1,291,651		1,291,651	1,288,859		1,553,859	
446	State Fire Marshal.....	903,612		903,612	911,518		911,518	895,103		1,018,223	
457	Franchise Tax Board.....	18,599,181		18,599,181	20,163,634		20,163,634	21,560,000		21,560,000	
486	Department of General Services.....	4,895,645		4,895,645	5,649,376		5,649,376	5,083,553		6,043,553	
521	Capital Building and Planning Commission.....	573		573	5,101,948		5,101,948	4,939,500		4,939,500	
529	State Personnel Board.....	5,216,576		5,216,576	18,000		18,000	18,000		18,000	
539	Public Employees' Retirement System.....	22,500		22,500	1,431,468		1,431,468	1,287,000		1,287,000	
547	State Teachers' Retirement System.....	1,159,700		1,159,700							

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	STATE OPERATIONS—Continued									
	AGRICULTURE AND SERVICES—Continued									
	Department of Veterans Affairs:									
564	General Activities.....	\$3,271,894		\$3,271,894	\$3,120,877		\$3,120,877	\$2,821,546		\$2,821,546
565	Veterans' Home of California.....	4,903,985		4,903,985	4,226,178		4,226,178	3,785,192		3,785,192
	TOTALS, AGRICULTURE AND SERVICES.....	\$54,070,165	\$26,997,577	\$80,977,742	\$55,686,291	\$30,432,559	\$86,118,850	\$54,945,488	\$25,172,510	\$80,117,998
	BUSINESS AND TRANSPORTATION ¹									
	Business:									
6	Department of Alcoholic Beverage Control.....	\$5,768,829		\$5,768,829	\$6,263,557		\$6,263,557	\$6,263,277		\$6,263,277
9	Alcoholic Beverage Control Appeals Board.....	132,170		132,170	130,445		130,445	135,998		135,998
14	Banking Department.....	71,980	1,288,804	1,360,784		1,421,247	1,421,247		1,470,895	
25	Department of Corporations.....	2,940,059		2,940,059	3,318,741		3,318,741	3,200,000		3,200,000
37	Department of Housing and Community Development.....	1,929,100		1,929,100	1,888,807		1,888,807	1,308,378		1,308,378
49	Department of Insurance.....	4,024,726		4,024,726	4,465,418		4,465,418	4,767,316		4,767,316
52	Riot and Civil Disorders Insurance.....				3,100,000		3,100,000	1,750,000		1,750,000
58	Department of Real Estate.....		3,376,960	3,376,960		3,349,450	3,349,450		3,822,668	3,822,668
65	Department of Savings and Loan.....		2,702,344	2,702,344		2,875,719	2,875,719		2,878,475	2,878,475
	TOTALS, Business.....	\$14,866,864	\$7,368,108	\$22,234,972	\$19,166,968	\$7,646,416	\$26,813,384	\$17,424,969	\$8,172,038	\$25,597,007
	Transportation:									
71	Office of Transportation Planning and Research.....				\$16,278		\$16,278	\$8,000		\$232,697
74	Special Transportation Services and Studies.....	\$99,124		\$99,124						
88	Department of Aeronautics.....		\$83,009	\$83,009		\$96,793	\$96,793			
			617,733	617,733		53,426	53,426			
	Department of California Highway Patrol.....		110,875,172	110,875,172		631,068	631,068		761,583	761,583
116	Vehicle Equipment Safety Commission.....	128	8,585	8,585		123,772,476	123,772,476		132,316,035	132,316,035
144	Department of Motor Vehicles.....		60,601,668	60,601,668		8,835	8,835		10,107	10,107
187	Department of Public Works.....		111,951,326	111,951,326		66,640,115	66,640,115		68,663,102	68,663,102
	TOTALS, Transportation.....	\$99,124	\$284,137,493	\$284,236,617	\$16,278	\$314,793,303	\$314,809,581	\$8,000	126,029,013	126,029,013
	TOTALS, BUSINESS AND TRANSPORTATION.....	\$14,965,988	\$291,505,601	\$306,471,589	\$19,183,246	\$322,439,719	\$341,622,965	\$17,432,969	\$328,004,537	\$328,012,537
	RESOURCES ¹ :									
285	Special Resource Services and Studies.....	\$87,768	\$20,735	\$108,503	\$136,778	\$275,053	\$411,831	\$50,000	\$200,000	\$250,000
292	Air Resources Board.....	681,108	1,175,479	1,856,587	80,000	6,456,795	6,536,795		6,399,601	6,399,601
296	California Advisory Committee.....	2,982		2,982	6,000		6,000	6,240		6,240
297	California-Nevada Interstate Compact Commission.....	11,632		11,632	26,650		26,650	27,500		27,500
300	Colorado River Board.....	293,645		293,645	255,655		255,655	157,804		157,804
317	Department of Conservation.....	43,308,081	1,298,349	44,606,430	45,425,617	1,430,644	46,856,261	42,551,629	1,541,636	44,093,265
340	State Lands Division.....	1,725,546		1,725,546	1,760,440		1,760,440	1,520,800	50,000	1,570,800
370	Department of Fish and Game.....		15,795,478	15,795,478		17,510,006	17,510,006	18,150,243	18,150,243	18,150,243
389	Wildlife Conservation Board.....		109,023	109,023		124,247	124,247		121,951	121,951
394	Klamath River Compact Commission.....	7,375		7,375	6,355		6,355	9,725		9,725
406	Department of Navigation and Ocean Development.....	180,551	9,692	190,243	324,684		324,684	284,177		284,177
424	Department of Parks and Recreation.....	18,979,149		18,979,149	20,358,832		20,358,832	20,449,855		20,449,855
446	Reclamation Board.....	285,425		285,425	243,616		243,616	1,464,000		1,464,000

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATE OPERATIONS—Continued										
RESOURCES—Continued										
452	San Francisco Bay Conservation and Development Commission.....	172,905	---	172,905	275,730	---	275,730	259,000	---	259,000
527	Department of Water Resources.....	12,220,469	---	12,220,469	12,604,273	---	12,604,273	10,430,700	---	10,430,700
584	Water Resources Control Board.....	3,161,921	---	3,161,921	3,965,000	---	3,965,000	4,180,000	---	4,180,000
584	Bond Funds ^a	---	---	---	---	(708,000)	(708,000)	---	(1,540,000)	(1,540,000)
	TOTALS, RESOURCES.....	\$81,118,757	\$18,408,756	\$99,527,513	\$85,469,630	\$25,796,745 (708,000)	\$111,266,375 (708,000)	\$81,391,430	\$26,463,431 (1,540,000)	\$107,854,861 (1,540,000)
HUMAN RELATIONS ¹										
61	Department of Corrections.....	\$98,509,635	---	\$98,509,635	\$103,929,699	---	\$103,929,699	\$106,487,239	---	\$106,487,239
159	Department of the Youth Authority.....	46,095,459	---	46,095,459	49,722,063	---	49,722,063	50,545,473	---	50,545,473
246	Department of Human Resources Development.....	9,524,206	\$637,644	10,161,850	10,313,553	\$696,633	11,010,186	9,862,711	\$725,139	10,587,850
273	Advisory Commission on Indian Affairs.....	14,260	---	14,260	---	---	---	---	---	---
276	Job Development Corporation Law Executive Board.....	184,951	---	184,951	485,722	---	485,722	401,314	---	401,314
301	Department of Industrial Relations.....	22,634,150	---	22,634,150	22,538,946	---	22,538,946	21,702,374	---	21,702,374
Department of Mental Hygiene:										
336	Departmental Administration.....	6,830,522	---	6,830,522	6,910,929	---	6,910,929	6,603,700	---	6,603,700
337	Research and Training.....	1,401,526	---	1,401,526	8,383,894	---	8,383,894	4,704,393	---	4,704,393
337	Neuropsychiatric Institutes.....	12,873,883	---	12,873,883	13,507,959	---	13,507,959	13,530,757	---	13,530,757
337	Hospitals for Mentally Ill.....	30,992,878	---	30,992,878	33,842,050	---	33,842,050	16,510,315	---	16,510,315
337	Hospitals for Mentally Retarded.....	65,816,777	---	65,816,777	68,652,713	---	68,652,713	83,983,873	---	83,983,873
	TOTALS, Department of Mental Hygiene.....	\$117,915,586	---	\$117,915,586	\$131,297,545	---	\$131,297,545	\$125,333,038	---	\$125,333,038
468	Department of Public Health.....	\$12,662,034	\$94,795	\$12,726,829	\$12,686,409	\$54,800	\$12,741,209	\$10,762,700	\$71,913	\$10,834,613
504	Department of Rehabilitation.....	7,228,371	---	7,228,371	6,901,733	---	6,901,733	7,118,098	---	7,118,098
559	Department of Social Welfare.....	16,277,443	---	16,277,443	20,322,762	---	20,322,762	8,891,274	---	8,891,274
581	Workmen's Compensation Benefits for Subsequent Injuries.....	1,526,698	---	1,526,698	1,699,000	---	1,699,000	1,770,000	---	1,770,000
	TOTALS, HUMAN RELATIONS.....	\$332,572,793	\$702,439	\$333,275,232	\$359,897,432	\$751,433	\$360,648,865	\$342,874,221	\$797,052	\$343,671,273
EDUCATION ¹										
Education:										
1	Educational Research Commission.....	---	---	---	---	---	---	---	---	---
Department of Education:										
61	Educational Commission of the States.....	\$22,684	---	\$22,684	24,100	---	24,100	\$24,100	---	\$24,100
62	General Activities.....	8,417,729	---	8,417,729	8,493,540	---	8,530,540	7,922,493	---	8,098,493
63	National Defense Education.....	345,050	---	345,050	161,968	---	161,968	167,200	---	167,200
63	Elementary and Secondary Education Act.....	403,329	---	403,329	---	---	---	---	---	---
64	Vocational Education.....	851,926	---	851,926	---	---	---	---	---	---
66	Special Schools for the Physically Handicapped.....	7,517,649	---	7,517,649	8,512,281	---	8,512,281	8,723,145	---	8,723,145
	TOTALS, Department of Education.....	\$17,558,367	---	\$17,558,367	\$17,191,889	\$37,000	\$17,228,889	\$16,836,938	\$176,000	\$17,012,938
67	Division of Libraries.....	\$1,814,420	---	\$1,814,420	\$1,944,791	---	\$1,944,791	\$1,897,000	---	\$1,897,000
	TOTALS, Education.....	\$19,372,787	---	\$19,372,787	\$19,188,220	\$37,000	\$19,225,220	\$18,733,938	\$176,000	\$18,909,938

* Expenditures from bond funds not included in overall budget totals.
 1 Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATE OPERATIONS—Continued										
EDUCATION—Continued										
Higher Education:										
138	Coordinating Council for Higher Education.....	\$509,548	-----	\$509,548	\$432,220	-----	\$432,220	\$458,000	-----	\$458,000
140	Western Interstate Commission for Higher Education.....	15,000	-----	15,000	15,000	-----	15,000	15,000	-----	15,000
171	University of California.....	329,334,145	\$225,927	329,560,072	337,090,295	\$983,200	338,073,495	337,090,295	\$233,200	337,323,495
377	Hastings College of the Law.....	958,065	-----	958,065	1,256,243	-----	1,256,243	1,298,737	-----	1,298,737
397	Trustees of the California State Colleges.....	284,962,524	-----	284,962,524	310,597,216	-----	310,597,216	315,972,193	-----	315,972,193
613	Maritime Academy.....	808,125	-----	808,125	803,631	-----	803,631	791,000	-----	791,000
633	Board of Governors of the Community Colleges.....	674,140	-----	674,140	871,582	-----	871,582	979,574	-----	979,574
652	State Scholarship and Loan Commission.....	13,001,695	-----	13,001,695	16,997,060	-----	16,997,060	20,000,000	-----	20,000,000
	Totals, Higher Education.....	\$630,263,242	\$225,927	\$630,489,169	\$668,063,247	\$1,083,200	\$669,146,447	\$676,604,799	\$333,200	\$676,937,999
	TOTALS, EDUCATION.....	\$649,636,029	\$225,927	\$649,861,956	\$687,251,467	\$1,120,200	\$688,371,667	\$695,338,737	\$509,200	\$695,847,937
	Credits to General Fund for Overhead Services Charged to Agencies Supported from Special Funds.....	-----	-----	-----	-----	-----	-----	-----	-----	-----
	Estimated Unidentifiable Savings.....	-----	-----	-----	-----	-----	-----	-----	-----	-----
	Hiring and Related Freezes.....	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTALS, STATE OPERATIONS.....	\$1,315,000,916	\$345,630,549	\$1,660,631,465	\$1,390,426,208	\$395,170,184	\$1,785,596,392	\$1,410,731,769	\$407,439,092	\$1,818,170,771
	BOND FUNDS.....	-----	(16,112)	(16,112)	-----	(810,101)	(810,101)	-----	(1,620,000)	(1,620,000)
LOCAL ASSISTANCE										
GENERAL GOVERNMENT:										
Judicial:										
17	Salaries of Superior Court Judges.....	\$9,163,695	-----	\$9,163,695	\$10,484,809	-----	\$10,484,809	\$10,910,220	-----	\$10,910,220
18	Contributions to Judges Retirement Fund.....	2,905,876	-----	2,905,876	1,743,073	-----	1,743,073	2,059,000	-----	2,059,000
	Totals, Judicial.....	\$12,069,571	-----	\$12,069,571	\$12,227,882	-----	\$12,227,882	\$12,969,220	-----	\$12,969,220
General Administration:										
95	Assistance to Cities and Counties for Peace Officers' Standards and Training.....	-----	-----	-----	-----	-----	-----	-----	-----	-----
113	Assistance to Counties for Public Defenders.....	-----	-----	-----	-----	-----	-----	-----	-----	-----
	Totals, General Administration.....	\$775,000	\$3,700,000	\$4,475,000	\$775,000	\$5,168,770	\$5,943,770	\$775,000	\$5,200,000	\$5,975,000
Miscellaneous:										
247	Storm and Flood Damage Repair.....	\$281,122	\$7,635,898	\$7,917,020	\$1,518,878	\$3,562,707	\$5,081,585	\$1,200,000	-----	\$1,200,000
248	Earthquake Damage Repair.....	-----	-----	-----	-----	-----	-----	-----	-----	-----
	Totals, Miscellaneous.....	\$162,709	\$7,635,898	\$7,798,607	\$1,400,465	\$3,562,707	\$4,963,172	\$1,080,092	-----	\$1,080,092
Property Tax Relief:										
249	Senior Citizens' Property Tax Assistance.....	\$7,858,999	-----	\$7,858,999	\$8,600,000	-----	\$8,600,000	\$10,000,000	-----	\$10,000,000
250	Personal Property Tax Relief.....	41,915,991	\$6,936,657	48,852,648	93,928,571	-----	90,545,761	79,000,000	\$19,755,000	98,755,000
251	Homeowners' Property Tax Relief.....	192,592,179	7,101,657	199,693,836	217,700,000	-----	217,700,000	235,000,000	-----	235,000,000
	Totals, Property Tax Relief.....	\$242,367,169	\$14,038,314	\$256,405,483	\$320,228,571	-----	\$316,845,761	\$324,000,000	\$19,755,000	\$343,755,000

* Expenditures from bond funds not included in overall budget totals.

† Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	LOCAL ASSISTANCE—Continued									
	GENERAL GOVERNMENT—Continued									
	Shared Revenue:									
	For General Government:									
271	Apportionment of Liquor License Fees		\$10,643,977	\$10,643,977		\$14,800,000	\$14,800,000		\$13,000,000	\$13,000,000
272	Apportionment of Highway Properties Rental Receipts		1,499,096	1,499,096		1,853,650	1,853,650		1,900,000	1,900,000
	For County or City Purposes:									
272	Apportionment of Motor Vehicle License Fees		221,523,174	221,523,174		239,130,000	239,130,000		253,640,000	253,640,000
272	Apportionment of Cigarette Tax		68,858,681	68,858,681		74,772,527	74,772,527		74,250,000	74,250,000
	Apportionment of Highway Carriers Uniform Business License Tax									
272	For Cities and Counties Tideland Development:					\$75,000	\$75,000		1,200,000	1,200,000
	Apportionment of Tideland Revenue:									
272	For County Roads:	142,274		142,274		205,000	205,000			205,000
273	Apportionment of Motor Vehicle Fuel Tax		139,139,479	139,139,479		146,200,000	146,200,000		153,000,000	153,000,000
	For City Streets:									
273	Apportionment of Motor Vehicle Fuel Tax		63,561,637	63,561,637		66,800,000	66,800,000		69,800,000	69,800,000
	For County Roads and City Streets:									
273	Apportionment of Motor Vehicle Fuel Tax		88,978,115	88,978,115		93,600,000	93,600,000		97,900,000	97,900,000
	Totals, Shared Revenues	\$142,274	\$594,204,159	\$594,346,433	\$1,080,000	\$637,156,177	\$638,236,177	\$1,405,000	\$663,490,000	\$664,895,000
	TOTALS, GENERAL GOVERNMENT	\$255,516,723	\$619,578,371	\$875,095,094	\$335,711,918	\$642,504,844	\$978,216,762	\$340,229,312	\$688,445,000	\$1,028,674,312
	AGRICULTURE AND SERVICES									
319	Salaries of County Agricultural Commissioners	\$170,985		\$170,985	\$171,600		\$171,600			\$171,600
320	Assistance to Cities and Counties for Land Under Contract	446		446	446		446	446		446
320	Payment to Counties for Agricultural Programs					\$1,250,000	1,250,000		\$819,000	819,000
334	Assistance to County Agricultural Fairs and Citrus Fruit Fairs		\$2,974,448	2,974,448		2,777,500	2,777,500	- 192,500	1,919,500	1,727,000
	TOTALS, AGRICULTURE AND SERVICES	\$171,431	\$2,974,448	\$3,145,879	\$172,046	\$4,027,500	\$4,199,546	\$- 20,454	\$2,738,500	\$2,718,046
	BUSINESS AND TRANSPORTATION									
89	Airport Assistance		\$1,224,495	\$1,224,495						
187	Local Roads and Highways		12,505,081	12,505,081		\$2,305,513	\$2,305,513		\$2,229,978	\$2,229,978
188	Grade Crossing Protection Works		5,618,375	5,618,375		15,302,667	15,302,667		9,270,000	9,270,000
188	San Francisco-Oakland Southern Crossing		2,300,000	2,300,000		8,684,359	8,684,359		6,700,000	6,700,000
188	Dumbarton Bridge Replacement Study		60,480	60,480		1,200,000	1,200,000			
282	Southern California Rapid Transit District	\$354,000		354,000	\$273,921	640,000	640,000		1,000,000	1,000,000
	TOTALS, BUSINESS AND TRANSPORTATION	\$354,000	\$21,708,431	\$22,062,431	\$273,921	\$28,132,539	\$28,406,460		\$19,199,978	\$19,199,978
	RESOURCES									
409	State Financial Assistance to Local Agencies for Boating Facilities Enforcement and Beach Erosion Control	\$- 539,982	\$3,790,973	\$3,250,991	\$427,500	\$3,788,647	\$4,216,147	\$52,800	\$3,784,993	\$3,837,793
426	Grants to Local Government for Recreation		(5,440,364)	(5,440,364)		(5,448,901)	(5,448,901)		(1,088,820)	(1,088,820)

Page references relate to appropriate volumes of the Budget Supplements.

From the State Beach, Park, Recreational and Historical Facilities Fund—expenditures from bond funds not included in overall budget totals.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
528	LOCAL ASSISTANCE—Continued									
		4,006,892		4,006,892	3,774,000		3,774,000	3,673,300		3,673,300
		10,000		10,000		(5,000,000)	(5,000,000)		(50,000,000)	(50,000,000)
528	Department of Water Resources:									
	Flood Control.....									
	Beach Erosion Control.....									
	Assistance for Construction of Water Quality Projects.....									
585	TOTALS, RESOURCES.....	\$3,476,910	\$3,790,973 (5,440,364)	\$7,267,883 (5,440,364)	\$4,201,500	\$3,788,647 (10,448,901)	\$7,990,147 (10,448,901)	\$3,726,100	\$3,784,993 (51,088,820)	\$7,511,093 (51,088,820)
160	HUMAN RELATIONS:									
		\$3,186,019		\$3,186,019	\$3,316,340		\$3,316,340	\$3,337,340		\$3,337,340
		84,000		84,000	600,000		600,000	600,000		600,000
160	Youth Authority:									
	Assistance to Counties for Maintenance of Juvenile Homes and Camps.....									
	Assistance to Counties for Construction of Juvenile Homes and Camps.....									
	Assistance for Control of Juveniles including Construction of Border Check Stations.....	104,560		104,560	219,635		219,635	129,635		129,635
160	Assistance to County Delinquency Prevention Commissions.....	227,613		227,613	127,200		127,200	227,200		227,200
161	Assistance to Counties for Special Probation Supervision Programs.....	12,731,557		12,731,557	14,712,500		14,712,500	15,900,000		15,900,000
161	Assistance to Counties for Pilot Youth Service Bureaus.....	99,172		99,172	50,000		50,000			
	Subtotals, Youth Authority.....	\$16,432,921		\$16,432,921	\$19,025,675		\$19,025,675	\$20,194,175		\$20,194,175
222	Department of Health Care Services.....	\$387,621,942		\$387,621,942	\$484,691,859		\$484,691,859	\$589,120,692		\$589,120,692
	Mental Hygiene:									
	Assistance to Local Agencies for Mental Health Services.....	150,357,444		150,357,444	165,339,612		165,339,612	186,938,327		186,938,327
338	Public Health:									
	Assistance to Counties for Care of Crippled Children.....	13,590,621		13,590,621	13,618,400		13,618,400	12,680,400		12,680,400
470	Assistance to Counties for Tuberculosis Sanatoria.....	2,149,207		2,149,207	1,021,424		1,021,424	1,021,424		1,021,424
471	Assistance to Counties without Local Health Departments.....	664,050		664,050	753,881		753,881	780,227		780,227
472	Assistance to Local Health Departments.....	4,743,172		4,743,172	4,997,545		4,997,545	4,797,545		4,797,545
473	Assistance to Local Agencies for Mental Retardation Services.....	3,705,365		3,705,365	5,878,057		5,878,057	20,647,653		20,647,653
	Assistance to Local and Nonprofit Agencies for Hospital Construction.....	-49,497		-49,497	49,497		49,497			
	Subtotals, Public Health.....	\$24,802,918		\$24,802,918	\$26,318,804		\$26,318,804	\$39,927,249		\$39,927,249
561	Social Welfare:									
	Public Assistance Programs.....									
	Aid to Blind.....	\$8,459,969		\$8,459,969	\$9,536,500		\$9,536,500	\$650,421,600		\$650,421,600
560	Aid to Disabled.....	95,948,894		95,948,894	125,279,900		125,279,900			
561	Aid to Families with Dependent Children.....	256,774,211		256,774,211	349,117,300		349,117,300			
561	Old Age Security.....	158,433,731		158,433,731	171,902,800		171,902,800			
561	Out-of-Home Care.....	21,181,500		21,181,500	23,978,400		23,978,400			
561	Attendant Care.....	20,857,800		20,857,800	24,465,700		24,465,700			
561	Unmet Shelter Needs.....	1,450,281	\$-67,517	1,382,764	1,500,000		1,500,000			
	Subtotals, Public Assistance Programs.....	\$563,106,386	\$-67,517	\$563,038,869	\$706,780,600		\$706,780,600	\$650,421,600		\$650,421,600

1 Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
LOCAL ASSISTANCE—Continued										
HUMAN RELATIONS—Continued										
562	Social Welfare:—Continued									
	Local Administration of Public Assistance Programs.....	898,719		898,719	1,168,381		1,168,381	2,200,000		2,200,000
562	Special Social Service Programs.....	16,057,532		16,057,532	14,472,109		14,472,109	15,045,719		15,045,719
	Subtotals, Social Welfare.....	\$580,062,637	\$—67,517	\$579,995,120	\$721,421,090		\$721,421,090	\$667,667,319		\$667,667,319
582	Workmen's Compensation for Disaster Service Workers.....	\$100,107		\$100,107	\$106,000		\$106,000	\$110,000		\$110,000
	TOTALS, HUMAN RELATIONS.....	\$1,159,377,969	\$—67,517	\$1,159,310,452	\$1,416,903,040		\$1,416,903,040	\$1,503,957,762		\$1,503,957,762
EDUCATION ¹										
Education:										
68	Apportionments for Public Schools.....	\$1,422,168,242	\$2,855,009	\$1,425,023,251	\$1,453,241,072	\$20,976,408	\$1,474,217,480	\$1,459,400,000	\$23,000,000	\$1,482,400,000
69	Loans to School Districts.....	548,037		548,037	—177,578		—177,678	—197,679		—197,679
69	Educational Improvement Act.....	4,941,081		4,941,081						
70	Instructional Television.....	696,027		696,027	725,000		725,000	800,000		800,000
70	Compensatory Education.....	10,834,260		10,834,260	11,000,000		11,000,000	11,000,000		11,000,000
70	Special Elementary School Reading Instruction Program.....	22,407,901		22,407,901	18,000,000		18,000,000	18,300,000		18,300,000
71	Mathematics Improvement Program.....	924,199		924,199	925,000		925,000	925,000		925,000
71	Children's Centers.....	8,715,590		8,715,590	10,399,712		10,399,712	10,627,666		10,627,666
71	Children's Centers Construction.....	1,655,460		1,655,460	344,540		344,540			
72	Grants to Teachers of Physically Handicapped Children.....	148,879		148,879	150,000		150,000	150,000		150,000
72	Loans to Teachers of Educationally Handicapped Children.....	50,000		50,000						
72	State School Lunch Program.....	500,000		500,000						
73	Free Textbooks.....	22,692,923		22,692,923	21,307,110		21,307,110	17,828,000		17,828,000
73	Assistance to Public Libraries.....	1,251,616		1,251,616	1,000,000		1,000,000	800,000		800,000
74	Vocational Education—Reimbursements to School Districts.....	720,241		720,241	1,330,271		1,330,271	800,000		800,000
74	Assistance to New Junior Colleges.....	—9,441		—9,441						
	Subtotals, Education.....	\$1,498,245,015	\$2,855,009	\$1,501,100,024	\$1,518,245,027	\$20,976,408	\$1,539,221,435	\$1,519,567,987	\$23,000,000	\$1,542,567,987
126	Contributions to Teachers' Retirement Fund.....									
130	Debt Service on Public School Building Bonds.....	\$79,000,000		\$79,000,000	\$91,000,000		\$91,000,000	\$26,000,000		\$26,000,000
634	Community Colleges Extended Opportunity Program.....	47,375,681		47,375,681	51,513,820		51,513,820	57,906,808		57,906,808
		2,940,373		2,940,373	4,505,347		4,505,347	3,350,000		3,350,000
	TOTALS, EDUCATION.....	\$1,627,561,069	\$2,855,009	\$1,630,416,078	\$1,665,264,194	\$20,976,408	\$1,686,240,602	\$1,606,824,795	\$23,000,000	\$1,629,824,795
	TOTALS, LOCAL ASSISTANCE.....	\$3,046,458,102	\$650,839,715	\$3,697,297,817	\$3,422,526,619	\$699,429,938	\$4,121,956,557	\$3,454,717,515	\$737,168,471	\$4,191,885,986
			(5,440,364)	(5,440,364)		(10,448,901)	(10,448,901)		(51,088,820)	(51,088,820)

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- erence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	CAPITAL OUTLAY*									
•	State Building Program.....	\$87,526,004	\$53,440,973 (28,061,192)	\$140,966,977 (28,061,192)	\$72,642,482	\$-55,104,761 (59,282,597)	\$17,537,721 (59,282,597)	\$10,150,000	\$2,932,599 (28,010,959)	\$13,082,599 (28,010,959)
•	District Fair Construction Program.....	50,000	1,663,872	1,713,872	-300,000	2,627,857	2,327,857	-1,850,000	2,234,000	384,000
•	State Highway Program.....		459,856,694	459,856,694		360,658,203	360,658,203		343,529,218	343,529,218
•	Wildlife Conservation Program.....		6,070,021 (817,249)	6,070,021 (817,249)		-23,579 (1,066,566)	-23,579 (1,066,566)		1,352,100 (180,000)	1,352,100 (180,000)
•	Parks and Recreation Acquisition and Development Program.....	4,955,680	4,955,680	4,955,680	3,965,439	200,078	4,165,517	100,000		100,000
•	California Water Facilities Program.....	2,091,352	(5,293,156) 1,337,429 (287,223,377)	(5,293,156) 3,428,781 (287,223,377)	1,235,000	(27,378,133) 1,235,000 (321,800,484)	(27,378,133) 1,235,000 (321,800,484)	1,587,000	(26,998,112) 1,587,000 (260,662,210)	(26,998,112) 1,587,000 (260,662,210)
	TOTALS, CAPITAL OUTLAY	\$94,623,036	\$522,368,989 (321,394,974)	\$916,992,025 (321,394,974)	\$77,542,921	\$308,357,798 (409,527,780)	\$385,900,719 (409,527,780)	\$9,987,000	\$350,047,917 (315,851,281)	\$360,034,917 (315,851,281)
	Bond Funds*									
	STATE OPERATIONS:									
	Bond Funds*	\$1,315,000,916	\$345,630,549 (16,112)	\$1,660,631,465 (16,112)	\$1,390,426,208	\$395,170,184 (810,101)	\$1,785,596,392 (810,101)	\$1,410,731,769	\$407,439,002 (1,620,000)	\$1,818,170,771 (1,620,000)
	LOCAL ASSISTANCE.....	3,046,458,102	650,839,715 (5,440,364)	3,697,297,817 (5,440,364)	3,422,526,619	699,429,938 (10,448,901)	4,121,956,557 (10,448,901)	3,454,717,515	737,168,471 (51,088,820)	4,191,885,986 (51,088,820)
	Bond Funds*		522,368,989 (321,394,974)	616,992,025 (321,394,974)	77,542,921	308,357,798 (409,527,780)	385,900,719 (409,527,780)	9,987,000	350,047,917 (315,851,281)	360,034,917 (315,851,281)
	CAPITAL OUTLAY.....	94,623,036								
	Bond Funds*									
	TOTALS, EXPENDITURES	\$4,456,082,054	\$1,518,839,253 (326,851,450)	\$5,974,921,307 (326,851,450)	\$4,890,495,748	\$1,402,957,920 (420,786,782)	\$6,293,453,668 (420,786,782)	\$4,875,436,284	\$1,494,655,390 (368,560,101)	\$6,370,091,674 (368,560,101)
	Bond Funds*									

* Expenditures from bond funds not included in overall budget totals.
 * See Capital Outlay Budget for details.

CLASSIFICATION OF FUNDS IN THE STATE TREASURY

The Budget totals of revenues and expenditures reflect the activities of many separate funds. See Schedules 4 and 5 for complete list of these funds. They are segregated into the following classifications:

GENERAL FUND—Consists of money received into the State Treasury not required by law to be credited to any other fund, to be used for general purposes of State Government.

SPECIAL FUNDS—Funds created to receive certain revenues or to finance particular activities which are for general purposes of State Government or are for activities subject to the regulatory or police powers of the state.

OTHER FUNDS—See Schedule 5 for list of funds which are not included in the Budget totals. They consist of moneys which were derived from sources other than general or special taxes, licenses, fees or other state revenues. There are receipts from the Federal Government, funds created for accounting purposes, receipts from sale of lands, or moneys held in trust. Funds not included in the Budget totals are segregated into the following classifications:

Working Capital and Revolving Funds—Funds created to finance services for governmental agencies for which charges are made at cost to maintain a fixed accountability. The charges are reflected as expenditures in the Budget at the agency receiving the commodity or service.

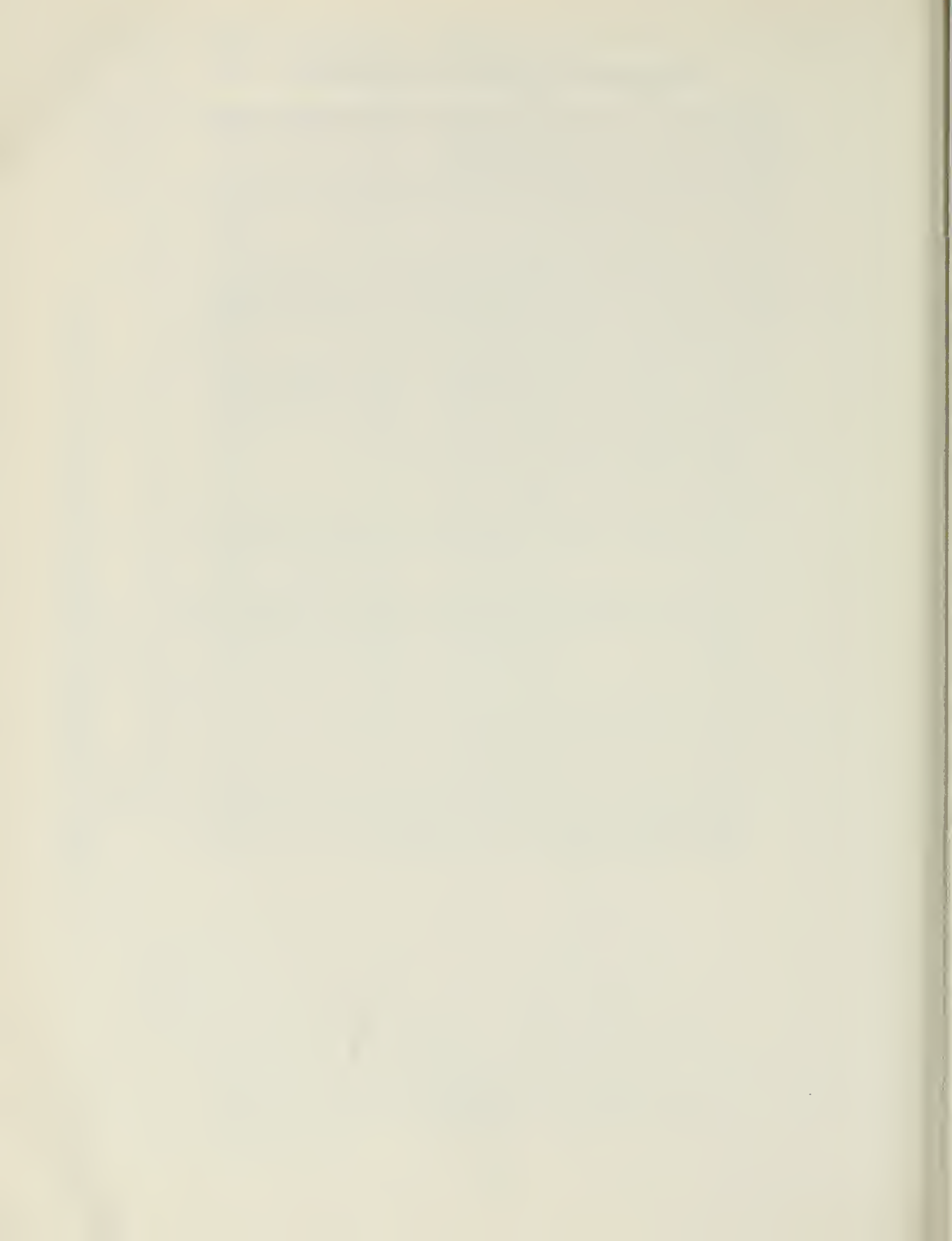
Public Service Enterprise Funds—Activities operated under state control for the benefit of the public. Funds are derived from charges to those who use the service and no support is derived from taxes, licenses or other state revenues. These functions are not subject to the regulatory or police powers of the state.

Bond Funds—To hold proceeds from the sale of bonds and to finance projects for which the bonds were authorized. The cost to the state is charged at the time interest payments are made and when the bonds are redeemed. (See Treasury funds for which no detailed transactions are reported in the Budget.)

Retirement Funds—Moneys held in trust by the state for retirement benefit payments.

Debt Service Funds—Moneys held by the state to be used for payment of interest or for redemption of bonds.

Trust and Agency Funds—Funds holding moneys in trust pending disbursements to trustors, moneys received from the Federal Government to be expended for specific purposes, and other funds which do not derive their sources from taxes or other state revenues, or are in the nature of transitory funds created for the convenience of accounting receipts or disbursements which are not necessarily revenues or expenditures.



SUMMARY OF FUND CONDITION BY FUNDS AS OF JUNE 30, 1969, 1970, 1971, AND 1972

B-15

Schedule 4—SUMMARY OF FUND CONDITION BY FUNDS AS OF JUNE 30, 1969, 1970, 1971, AND 1972—Continued

Fund	Accumulated surplus June 30, 1969	Actual income 1969-70	Actual expenditures 1969-70	Transfers between funds	Accumulated surplus June 30, 1970	Estimated income 1970-71	Estimated expenditures 1970-71	Transfers between funds	Accumulated surplus June 30, 1971	Estimated income 1971-72	Estimated expenditures 1971-72	Transfers between funds	Accumulated surplus June 30, 1972
SPECIAL FUNDS—Continued													
Repair Services Fund.....	235,966	259,234	251,447	-----	243,655	269,690	308,629	-----	204,006	262,610	324,411	-----	143,305
Bureau of Employment Agencies Fund.....	310,445	160,049	214,229	-----	276,265	165,250	231,566	-----	209,949	165,500	256,903	-----	116,546
Fair and Exposition Fund.....	2,434,953	6,162,613	6,461,566	{ -265,000 -15,000 }	165,260	7,766,742	9,239,750	-265,000	*100,000	6,166,050	6,001,050	-265,000	-----
Fish and Game Preservation Fund.....	9,214,306	16,114,220	21,441,936	-----	1,972,657	17,394,568	16,762,326	-----	4,316,106	17,745,500	16,752,674	-----	3,511,456
Geology Fund.....	-15,631	151,564	57,535	-----	*1,913,933	66,175	55,920	-----	*202,722	3,025	55,640	-----	55,636
Highway Fund.....	97,356,621	15,720,616	592,293,296	+462,631,527	3,414,676	44,355,200	510,004,906	+462,324,630	106,453	6,710,000	466,529,216	+479,619,216	-----
Highway Properties Rental Fund.....	1,490,061	1,652,432	1,499,096	+666,646,966	1,652,997	1,900,000	1,653,650	+676,776,995	1,669,347	1,960,000	1,900,000	+710,011,472	-----
Highway Users Tax Fund.....	*74,164,404	-----	291,679,231	+107,174,290 +16,393,723 -462,631,527 -11,706,237	*76,365,390	-----	306,694,759	+64,165,212 +11,417,233 -462,324,630	47,241	320,700,000	-----	+66,460,502 +5,500,003 -470,619,216	*65,000,000
Homeowners Property Tax Relief Fund.....	7,061,225	-----	7,061,225	-----	1,000,000	3,290,000	535,395	-----	1,000,000	3,475,000	570,136	-----	1,000,000
Department of Human Resources Development Contingent Fund.....	1,044,930	3,226,295	472,036	(-2,799,169)	-----	-2,764,605	-----	(-2,764,605)	-----	-2,904,664	-----	(-2,904,664)	-----
Indemnity Fund.....	1,161	4,797	5,060	-----	676	2,000	2,676	-----	*65,556,504	2,000	2,000	-----	-----
Motor Vehicle Fund.....	58,534,212	274,637,455	179,105,155	-107,174,290	*53,682,222	266,995,646	203,144,152	-64,165,212	-----	304,765,536	213,641,138	-66,460,502	*56,222,400
Motor Vehicle Fuel Fund.....	2,569,676	674,677,449	6,231,613	{ -3,339,399 -666,646,966 }	*1,027,345	666,946,710	6,276,060	-3,600,000	*1,000,000	722,792,029	6,461,557	-4,000,000	-----
Motor Vehicle License Fee Fund.....	16,524,363	234,297,262	229,374,950	-----	23,446,675	251,303,000	247,493,602	-676,776,995	27,255,673	266,346,000	262,402,963	-710,011,472	31,196,910
Motor Vehicle Transportation Tax Fund.....	69,155	23,591,099	1,223,241	-16,393,723	*6,043,290	25,137,756	10,263,601	-11,417,233	*499,922	26,742,626	21,243,695	-6,500,003	*496,650
Of -----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Peace Officers Training Fund.....	9,652	13,462	13,365	-----	9,969	13,960	14,793	-----	9,136	13,030	13,766	-----	6,376
Petroleum and Gas Fund.....	3,349,057	7,953,410	4,079,614	-----	7,222,653	7,360,000	5,645,733	-----	8,956,920	7,590,000	5,747,437	-----	10,769,463
-----	176,436	1,133,673	1,160,126	-----	124,283	1,246,699	1,304,071	-----	69,661	1,437,336	1,409,747	-----	100,000
Pilot Commissioner's Special Fund.....	42,601	23,453	27,991	-----	*6,900	25,142	33,731	-----	*3,150	26,164	34,224	-----	23,434
Poultry Testing Project Fund.....	26,056	1,000	-----	(-27,056)	36,063	-----	-----	-----	29,474	-----	-----	-----	-----
Professional and Vocations Funds:													
Accountancy Fund.....	575,953	166,924	359,161	-----	403,696	537,685	362,099	-----	579,482	144,675	412,419	-----	311,936
Architectural Examiners Fund.....	524,925	221,035	444,049	-----	619,717	104,335	139,201	-----	564,791	226,550	146,649	-----	662,492
Barber Examiners Fund.....	-17,193	934,690	66,080	-----	473,446	202,550	465,616	-----	210,160	993,160	491,001	-----	712,339
Behavioral Science Examiners Fund.....	157,116	231,117	66,080	-----	302,155	119,000	115,465	-----	305,690	169,540	140,665	-----	334,345
Cemetery Fund.....	276,376	5,172,921	2,562,922	-----	2,666,377	65,400	63,463	-----	31,662	72,260	63,793	-----	20,129
Contractors' License Fund.....	1,042,631	339,169	786,793	-----	814,900	1,726,660	684,403	-----	934,402	4,610,500	2,767,557	-----	2,957,345
Dentistry Fund.....	167,770	420,256	222,405	-----	385,706	215,450	300,003	-----	1,457,664	375,760	665,993	-----	947,471
Dry Cleaners Fund.....	695,492	141,061	420,256	-----	416,295	790,290	439,029	-----	311,153	402,912	301,561	-----	412,464
Funeral Directors and Embalmers Fund.....	60,477	114,032	106,379	-----	66,130	121,625	107,755	-----	62,200	119,750	163,120	-----	604,436
Furniture and Bedding Inspection Fund.....	633,404	67,359	340,211	-----	560,552	768,133	429,616	-----	916,669	64,900	441,617	-----	69,950
Hearing Aid Dispensers Fund.....	-----	57,340	37,966	-----	41,417	76,750	27,096	-----	51,654	28,330	28,330	-----	54,574
Landscape Architects Fund.....	22,045	2,074,496	1,026,027	-----	3,620,961	6,660	39,236	-----	6,641	1,763,700	1,255,090	-----	3,546,566
Medical Examiners Contingent Fund.....	2,572,510	-----	-----	-----	-----	613,190	1,224,215	-----	3,009,956	-----	-----	-----	-----

Schedule 4—SUMMARY OF FUND CONDITION BY FUNDS AS OF JUNE 30, 1969, 1970, 1971, AND 1972—Continued

Fund	Accumulated surplus June 30, 1969	Actual income 1969-70	Actual expenditures 1969-70	Transfers between funds	Accumulated surplus June 30, 1970	Estimated income 1970-71	Estimated expenditures 1970-71	Transfers between funds	Accumulated surplus June 30, 1971	Estimated income 1971-72	Estimated expenditures 1971-72	Transfers between funds	Accumulated surplus June 30, 1972
SPECIAL FUNDS—Continued													
Professional and Vocations Funds—Continued													
Nurses Registry Fund	434,957	837,565	845,763		428,779	18,150	8,200		7,950	15,000	13,784		9,188
Nursing Education and Nurse Registration Fund						774,400	743,413		457,788	835,900	749,053		544,813
Nursing Home Administrators State License Examining Board Fund													
Optometry Fund	117,178	12,773	95,921		34,020	110,520	49,839		83,881	89,980	78,489		75,352
Pharmacy Board Fund	8,872	979,907	881,955		324,824	148,425	83,368		99,089	9,875	84,205		24,559
Physical Therapy Fund	105,271	98,419	28,802		174,888	394,493	721,243		-1,928	951,393	780,819		188,848
Private Investigator and Adjuster Fund	149,948	184,573	118,379		218,142	13,750	33,817		155,021	88,820	35,129		208,712
Professional Engineers Fund	515,832	453,081	842,203		328,710	92,700	120,722		190,120	125,100	114,472		200,748
Shorthand Reporters' Fund	127,999	28,741	37,298		117,442	881,430	894,937		513,203	378,300	719,047		170,458
Structural Pest Control Fund	524,897	498,800	523,819		499,788	85,000	42,829		182,813	22,500	43,012		142,101
Veterinary Examiners' Contingent Fund	23,838	211,185	78,158		168,887	524,780	555,838		488,890	521,855	538,432		454,313
Vocational Nurse and Psychiatric Technician Examiners Fund	798,483	318,801	348,358		770,908	32,258	76,723		112,202	232,145	80,724		283,823
Property Tax Relief Fund	41,999,808	48,852,848	41,915,991		35,083,151	774,102	539,948		1,005,084	229,275	589,917		884,422
Real Estate Education, Research and Recovery Fund	857,509	881,216	539,997		798,728	749,000	438,540		1,109,188	771,000	431,801		1,448,387
Real Estate Fund	985,775	4,475,925	2,970,178		2,494,522	4,764,000	3,044,110		4,214,412	4,888,000	3,524,287		5,558,145
Savings and Loan Inspection Fund	2,481,914	2,684,031	2,702,344		2,443,801	2,597,745	2,875,719		2,185,827	2,557,820	2,878,475		1,844,772
Senate Contingent Fund	1,858,764	5,882,600	5,882,600		1,800,154	8,585,000	8,585,000		1,381,554	8,453,700	-6,453,700		1,381,554
Snowmobile Trust Fund						9,000			9,000	11,000			20,000
State Fair Fund	105,140	240,282	240,282		129,878		394,277		801		285,801		108,881
State School Construction Fund	130,017	2,712,234	2,721,948		120,303	2,893,558	2,700,000		118,881	2,840,000	2,890,000		8,389,338
State School Construction Fund	188,462				168,482				188,482				100,000
Street and Highway Disaster Fund	8,308,512	941,237	7,819,823		11,333,183	321,372	3,552,707		8,091,828	277,508			3,135,282
Subsidize Abatement Fund	101,977	120,495	118,221		104,251	121,847	128,573		99,325	132,584	131,889		1,471,770
Transportation Rate Fund	3,553,129	5,699,024	5,480,149		3,892,004	5,412,400	5,858,179		3,248,225	5,798,000	5,908,983		-4,532,000
Wildlife Restoration Fund	1,189,111	904,884	833,427		1,480,588	892,850	874,247		1,478,971	884,750	871,951		\$118,870,481
Yacht and Ship Brokers Fund	28,449	2,025	9,892								4,832,000		\$189,314,252
Augmentation for Salary Increases													\$2,492,204
TOTALS, SPECIAL FUNDS	\$363,230,743	\$1,412,272,087	\$1,518,839,253	\$18,782	\$59,798,884	\$1,431,721,431	\$1,402,857,920		\$118,888,714	\$1,497,794,421	\$1,494,855,390		\$118,870,481
					\$104,188,543				\$184,144,688				\$189,314,252
					\$2,851,488				\$2,573,778				\$2,492,204
					\$5,900				\$3,150				\$400
GRAND TOTALS, ALL STATE FUNDS	\$1,001,873,459	\$5,742,758,584	\$5,974,921,307	\$18,782	\$204,578,822	\$8,044,813,048	\$8,293,453,888		\$-5,744,592	\$8,538,854,393	\$8,370,091,874		\$118,870,481
					\$238,242,091				\$348,254,000				\$397,318,000
					\$130,023,090				\$11,818,314				\$59,900
					\$194,188,543				\$184,144,888				\$189,314,252
					\$2,651,488				\$2,573,778				\$2,492,204
					\$5,900				\$3,150				\$400

a Special Funds—Reserve for Unencumbered Balance of Continuing Appropriations.

b Invested in Agriculture Building Fund.

c Reserve for Geothermal Energy Account.

d Transfer to Harbors and Watercraft Revolving Fund—Non Governmental Cost Fund.

1 General Fund—Reserve for Working Capital.

2 General Fund—Unencumbered Balance of Continuing Appropriations:

State Operations..... 818,314

Local Assistance..... 1,200,000

Capital Outlay..... 10,000,000

Total Unencumbered Balance of Continuing Appropriations—General Fund \$11,818,314

Total Unencumbered Balance of Continuing Appropriations—General Fund \$59,900

Schedule 5

STATEMENT OF BALANCES IN OTHER TREASURY FUNDS WHICH ARE NOT INCLUDED IN THE BUDGET TOTALS

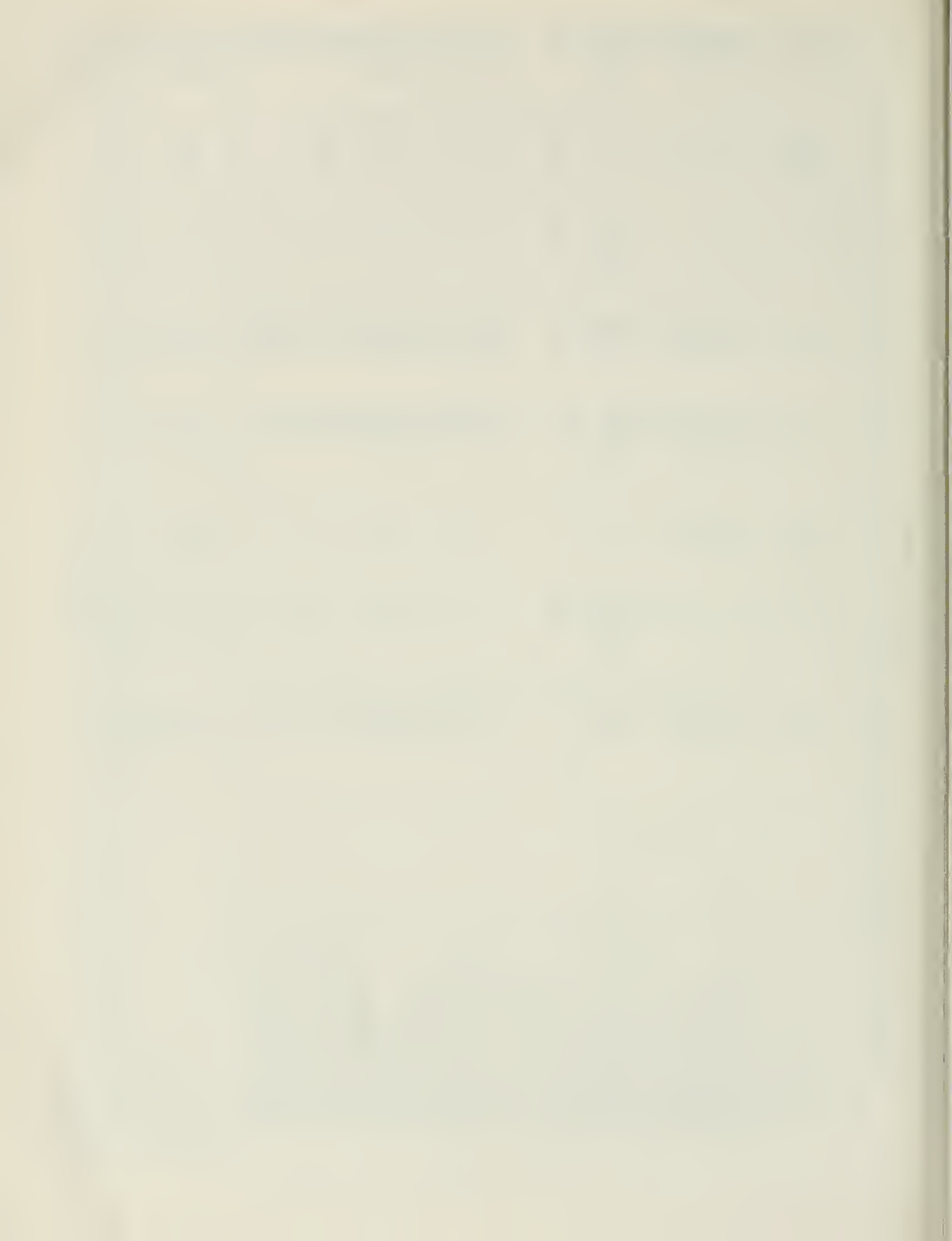
Fund	Balance June 30, 1969				Balance June 30, 1970			
	Cash	Securities	Due From Surplus Money Investment Fund	Total	Cash	Securities	Due From Surplus Money Investment Fund	Total
WORKING CAPITAL AND REVOLVING FUNDS:								
Agriculture Building Fund.....	\$36,433	-----	-----	\$36,433	\$17,926	-----	-----	\$17,926
Architecture Revolving Fund.....	75,980,473	-----	-----	75,980,473	63,865,042	-----	-----	63,865,042
Ballot Paper Revolving Fund.....	2,329	-----	-----	2,329	31,277	-----	-----	31,277
California Industries for the Blind Manufacturing Fund.....	192,573	-----	-----	192,573	86,014	-----	-----	86,014
Correctional Industries Revolving Fund.....	1,325,800	-----	-----	1,325,800	1,428,879	-----	-----	1,428,879
General Obligation Bond Expense Revolving Fund.....	65,560	-----	-----	65,560	75,000	-----	-----	75,000
Harbors and Watercraft Revolving Fund.....	407,090	-----	\$9,850,000	10,257,090	147,091	-----	\$9,250,000	9,397,091
Highway Right of Way Acquisition Fund.....	6,141,632	-----	-----	6,141,632	192,304	-----	-----	192,304
Opportunity Work Centers Revolving Fund.....	19,026	-----	-----	19,026	20,533	-----	-----	20,533
Old Age and Survivors Insurance Revolving Fund.....	888,314	-----	-----	888,314	1,751,379	-----	-----	1,751,379
Public Building Construction Fund.....	876,897	-----	1,150,000	2,026,897	1,222,706	-----	635,000	1,857,706
Service Revolving Fund.....	1,023,496	-----	-----	1,023,496	1,228,462	-----	-----	1,228,462
Revolving Loan Fund.....	21,876	-----	-----	21,876	24,347	-----	-----	24,347
School District Organization Revolving Fund.....	376,200	-----	-----	376,200	378,660	-----	-----	378,660
State Payroll Revolving Fund.....	126,891,424	-----	-----	126,891,424	137,763,399	-----	-----	137,763,399
State Water Quality Control Fund.....	1,420,000	-----	-----	1,420,000	942,090	-----	-----	942,090
Surplus Education Property Revolving Fund.....	114,434	-----	550,000	664,434	162,475	-----	450,000	612,475
Surplus Money Investment Fund.....	379,778,232	-----	-379,778,000	232	273,824,734	-----	-267,038,750	6,785,984
Water Rights Board Revolving Fund.....	79,301	-----	-----	79,301	-----	-----	-----	-----
Water Resources Revolving Fund.....	650,550	-----	-----	650,550	2,607,805	-----	-----	2,607,805
Professions and Vocations Fund.....	-----	-----	-----	-----	101,281	-----	600,000	701,281
Water Resources Control Board Revolving Fund.....	-----	-----	-----	-----	92,166	-----	-----	92,166
PUBLIC SERVICE ENTERPRISE FUNDS:								
San Francisco Harbor Funds:	15,556	-----	-----	15,556	16	-----	-----	16
San Francisco Harbor Improvement Fund.....	-----	-----	-----	-----	1,241,969	-----	-----	1,241,969
Harbor Bond Sinking Fund.....	-----	-----	-----	-----	151,440	-----	-----	151,440
San Francisco Seawall Sinking Fund No. 2.....	-----	-----	-----	-----	188,400	-----	-----	188,400
San Francisco Seawall Sinking Fund No. 3.....	-----	-----	-----	-----	-----	-----	-----	-----
Toll Bridge Funds:	9,091	\$39,373	-----	48,464	4,561	\$39,373	20,000	63,934
San Francisco-Oakland Bay Bridge Construction Fund.....	830,864	4,735,247	-----	5,566,111	70,539	-----	3,790,000	3,860,539
San Francisco-Oakland Bay Bridge Toll Revenue Fund.....	50,000	-----	-----	50,000	3,984	-----	-----	3,984
Toll Bridge Authority Revolving Fund.....	9,356	73,481	-----	82,837	5,851	-----	80,000	85,851
Carquinez Strait Bridges Construction Fund.....	19,040	-----	-----	19,040	4,443	-----	-----	4,443
San Pedro-Terminal Island Toll Bridge Construction Fund.....	6,335	7,692,661	-----	7,698,996	28,874	-----	1,340,000	1,368,874
San Diego-Coronado Bridge Construction Fund.....	8,022	256,696	-----	264,718	7,703	-----	71,000	78,703
Vincent Thomas Bridge Construction Fund.....	-----	-----	-----	-----	-----	-----	-----	-----
Other Utility Funds:	935,451	-----	168,955,000	169,890,451	406,733	-----	32,955,000	33,361,733
Central Valley Water Project Construction Fund.....	-----	-----	750,000	750,000	31,271	-----	1,516,500	1,547,771
Central Valley Water Project Revenue Fund.....	138,114	-----	-----	138,114	43,389	97,806	-----	141,195
College Auxiliary Enterprise Fund.....	1,009,523	249,757,654	4,400,000	255,167,177	743,878	267,032,505	1,500,000	269,276,383
Compensation Insurance Fund.....	-----	-----	-----	-----	69,163	-----	-----	69,163
Health Facility Construction Loan Insurance Fund.....	8,675	9,633	-----	18,308	828	-----	540,000	540,828
Rapid Transit Tube Construction Fund.....	432,008	-----	-----	432,008	124,055	-----	-----	124,055
Small Craft Harbor Improvement Fund.....	-----	-----	-----	-----	-----	-----	-----	-----
State College Dormitory Building Maintenance and Equipment Reserve Fund.....	283,700	1,110,969	-----	1,394,669	87,138	1,005,137	600,000	1,692,275
State College Dormitory Construction Fund.....	3,601,164	17,146,914	-----	20,748,078	492,727	4,253,137	10,300,000	15,045,864
State College Dormitory Revenue Fund.....	1,168,931	4,565,893	-----	5,734,824	1,117,419	956,477	3,100,000	5,173,896
State College Dormitory Disability Fund.....	1,340,833	104,905,151	-----	106,245,984	977,925	113,956,097	-----	114,934,022
Unemployment Compensation Disability Fund.....	225,102	-----	28,300,000	28,525,102	173,488	-----	23,450,000	23,623,488
Veterans Farm and Home Building Fund of 1943.....	-----	-----	-----	-----	-----	-----	-----	-----

Schedule 5—Continued

STATEMENT OF BALANCES IN OTHER TREASURY FUNDS WHICH ARE NOT INCLUDED IN THE BUDGET TOTALS—Continued

Fund	Balance June 30, 1969				Balance June 30, 1970			
	Cash	Securities	Due From Surplus Money Investment Fund	Total	Cash	Securities	Due From Surplus Money Investment Fund	Total
BOND FUNDS:								
California Water Resources Development Bond Fund.....	\$284,029			\$23,974,029	\$71,283		\$7,090,000	\$7,161,283
Public School Building Loan Fund.....	1,787			1,787	3,262			3,262
State School Building Aid Fund.....	23,738,945			23,738,945	22,744,943			22,744,943
State Construction Program Fund.....	36,377,446			36,377,446	36,347,839			30,347,839
Small Craft Harbor Bond Fund.....	41,469			551,469	9,120		60,000	69,120
State Beach, Park, Recreational and Historical Facilities Fund.....	7,689,937			7,689,937	2,138,397			2,138,397
RETIREMENT FUNDS:								
Judges' Retirement Fund.....	3,992		205,000	208,992	4,126		580,000	584,126
Legislators' Retirement Fund.....	77,916	1,173,011		1,250,927	81,842	1,108,152		1,189,994
Public Employees Retirement Fund.....	365,932	3,560,342,761		3,560,708,693	551,782	3,831,807,516		3,832,359,298
Teachers' Retirement Fund.....	11,432,813	1,638,077,339		1,650,510,152	12,764,167	1,708,184,567		1,720,948,734
DEBT SERVICE FUNDS:								
Olympic Bond Fund.....	11,986	13,994		25,980	32			32
State College Dormitory Interest and Redemption Fund.....	773,067	1,282,648		2,055,715	463,517	1,726,545	1,900,000	4,090,062
TRUST AND AGENCY FUNDS:								
Federal Funds:								
United States Flood Control Receipts Fund.....	47			47				
Public Health—Federal Fund.....	872,558			872,558				
Social Welfare—Federal Fund.....	16,864,794			16,864,794	26,810,018			26,810,018
Unemployment Administration Fund.....	1,764,156			1,764,156	1,779,216			1,779,216
Vocational Education—Federal Fund.....	907,790			907,790	1,681,236			1,681,236
Vocational Rehabilitation—Federal Fund.....	410,438			410,438	477,846			477,846
Other Trust and Agency Funds:								
Condemnation Deposit Fund.....	228,322	39,560,634		39,788,956	2,443	27,519,969		27,522,412
Health Care Deposit Fund.....	19,226			19,226	1,727,219			1,727,219
Highway Property Rental Fund.....	1,361,193			1,361,193	1,684,290			1,684,290
Inmate Welfare Fund.....	384,950	1,488,448		1,873,398	326,975	1,683,272		2,010,247
Special Deposit Fund.....	46,035,138	38,153	9,350,000	55,423,291	34,561,837		13,934,000	48,495,837
State Employees Contingency Reserve Fund.....	2,374	1,875,111		1,877,485	77,977	2,518,586		2,596,563
State Park Contingent Fund.....	68,370			68,370	45,037			45,037
State Properties Rental Fund.....	132,981			132,981	132,733			132,733
Tax Deeded Land Rental Trust Fund.....	153,821	4,005,051		4,158,872	654,969	3,699,140		4,289
Unclaimed Property Fund.....	75,389		2,900,000	2,975,389	12,626		2,900,000	2,912,626
Unemployment Fund.....	4,462	1,455,350		1,459,812	108,228	1,095,187		1,203,415
State Guaranteed Loan Reserve Fund.....	3			3	34,913			34,913
California Traffic Safety Program Fund.....	37,559			37,559	1,833,300			1,833,300
Manpower Development Fund.....					35,765			35,765
California Bicentennial Celebration Fund.....					100,000			100,000
State Job Development Loan Guarantee Fund.....								
TOTAL BALANCES IN OTHER TREASURY FUNDS.....	\$756,506,399	\$5,640,606,172	—\$129,168,000	\$6,267,944,571	\$640,314,710	\$5,966,683,466	—\$150,377,250	\$6,450,020,926
General Fund.....	308,565,416			308,565,416	64,340,458			64,340,458
Highway Fund and Motor Vehicle Funds.....	9,855,238	196,650,010	85,268,000	291,773,248	57,178,130	119,783,044	102,917,250	259,878,424
Other Special Funds.....	144,313,129	26,346,564	43,900,000	214,559,693	130,092,154	26,470,000	47,460,000	203,032,154
Treasurer's Trust Accounts.....	79,265,977			79,265,977	18,120,858			18,120,858
Uncleared Collections.....	2,044,228			2,044,228	108,856			108,856
Warrants Outstanding.....	180,668,143			180,668,143	193,407,150			193,407,150
Pooled Money Account ^a	—1,267,567,656	1,267,567,695			—794,758,893	794,758,893		
Time Deposits in Banks ^a	—237,668,000	237,668,000			—300,000,000	300,000,000		
Condemnation Deposits in Banks.....	2,475,000			2,475,000				
TOTAL, ACCOUNTABILITY, STATE OF CALIFORNIA.....	—\$11,534,666	\$7,298,828,541		\$7,287,293,875	—\$11,196,677	\$7,206,694,903		\$7,195,498,226

^a Not identified as to Fund.



**TREASURY FUNDS FOR WHICH NO DETAILED TRANSACTIONS
ARE REPORTED IN THE BUDGET**

- Ballot Paper Revolving Fund:* The fund is used by the Secretary of State to purchase paper for sale to counties and municipalities for their use for election ballots.
- Bicentennial Celebration Fund:* Depository for gifts and grants for commemoration of the 200th anniversary of the settlement of California.
- California Heritage Preservation Fund:* The fund was established by Chapter 1938, Statutes of 1963, to receive donations, gifts and grants from any source to provide for the restoration, preservation and display of the historical documents of the state on deposit with the Secretary of State.
- Condemnation Deposits Fund:* Contains deposits held in trust pending settlement of court cases in condemnation proceedings.
- India Basin Sinking Fund:* Moneys are transferred from the San Francisco Harbor Improvement Fund and interest is earned on investment of these moneys to provide for payment of interest and redemption of the San Francisco Harbor Bonds.
- Job Training and Placement Fund:* For deposit and disbursement of grants and gifts to further programs designed to provide instruction in vocational skills and to provide assistance for job placement.
- Old Age and Survivors Insurance Revolving Fund:* The fund is used by the Public Employees' Retirement System to clear employer and employee contributions under the Federal Old Age and Survivors Insurance Program from public agencies included in the agreement between the state and the federal government.
- Opportunity Work Centers Revolving Fund:* Provides for purchase and rental of equipment for Centers for the Blind.
- San Francisco Seawall Funds Nos. 4 and 5:* Receives money from the proceeds of bond sales to be used for the construction of wharves, piers, seawall, and other improvements in San Francisco Harbor.
- San Francisco Seawall Sinking Funds Nos. 2, 3 and 4:* Moneys are transferred from the San Francisco Harbor Improvement Fund and interest is earned on investment of these moneys to provide for payment of interest and redemption of the San Francisco Harbor Bonds.
- Special Deposit Fund:* Accumulation of numerous trust funds deposited by state and private agencies for a specific purpose. This fund also contains unclaimed checks and deposits pending either payment to the proper persons or transfer to the General Fund. The transactions of this fund are so numerous and the pattern is so indefinite that no attempt is made to estimate the volume that will flow through the fund.
- Special Interest Stopping Place Fund:* Receives gifts of money or property for the purpose of establishing places of special scenic, historical, or cultural interest.
- State Park Contingent Fund:* Receives moneys from gifts, bequests, from municipal or county appropriations, or donations, for improvements, additions, or administration of the state park system. The amounts received are disbursed in accordance with the provisions of the donations.
- State Payroll Revolving Fund:* The fund is used by the State Controller for payment of salaries through the Uniform Payroll System.
- Surplus Money Investment Fund:* Excess money in those funds which do not have other provision for investment may be transferred to this fund, the pooled resources are invested and the interest earned is prorated to the contributing funds.
- Tax-deeded Land Rental Trust Fund:* Receipts are derived from leases made by the State Controller covering property deeded to the state for taxes. The rentals are paid semiannually to the county in which the property is located for distribution to the taxing agencies.
- Toll Bridge Authority Revolving Fund:* A permanent revolving fund to pay expenses incurred by the California Toll Bridge Authority in the administration of the Toll Bridge Authority Act.
- Traffic Safety Program Fund:* To receive and disburse funds received as gifts and grants to be apportioned to local governments for traffic safety programs.
- Treasury Trust Deposits:* Provides for the State Treasurer's Central Banking System.
- Unclaimed Property Fund:* This fund accounts for all unclaimed moneys held by the state.
- Welfare Advance Fund:* The fund is used for disbursements to counties of state and federal shares of social welfare public assistance programs.



Schedule 6

**COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID GRANTED TO THE STATE OF CALIFORNIA
FOR THE FISCAL YEARS 1969-70, 1970-71, AND 1971-72**

Department	Page refer- ence	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
STATE OPERATIONS										
GENERAL GOVERNMENT ¹										
JUDICIAL:										
Judicial Council.....	10	\$54,643	-----	\$54,643	\$146,268	-----	\$146,268	\$134,969	-----	\$134,969
EXECUTIVE:										
Office of Emergency Services.....	32	645,722	\$248,483	894,205	724,488	\$375,191	1,099,679	734,068	\$331,512	1,065,580
Funds to Local Governments.....			(76,355,108)	(76,355,108)		(70,622,884)	(70,622,884)		(45,406,130)	(45,406,130)
Office of Intergovernmental Management.....	36	101,439	-----	101,439	307,884	-----	307,884	250,000	-----	250,000
Office of Planning and Research.....	38	-----	-----	-----	30,088	-----	30,088	92,587	-----	92,587
Council on Intergovernmental Relations.....	46	49,312	-----	49,312	145,000	-----	145,000	174,000	-----	174,000
Totals, Executive.....		\$796,473	\$248,483 (76,355,108)	\$1,044,956 (76,355,108)	\$1,207,460	\$375,191 (70,622,884)	\$1,582,651 (70,622,884)	\$1,250,655	\$331,512 (45,406,130)	\$1,582,167 (45,406,130)
GENERAL ADMINISTRATION:										
Department of Justice—Support.....	78	\$48,998	-----	\$48,998	\$501,001	-----	\$501,001	-----	-----	-----
Peace Officers Standards and Training.....	95	75,455	-----	75,455	173,369	-----	173,369	-----	-----	-----
California Council on Criminal Justice.....	109	1,079,869	-----	1,079,869	1,330,615	-----	1,330,615	\$1,842,949	-----	\$1,842,949
California Crime Technological Research Foundation.....	112	185,931	-----	185,931	304,269	-----	304,269	-----	-----	-----
Military Department:										
Maintenance and Operation of Facilities.....	211	768,071	-----	768,071	788,013	-----	788,013	1,571,732	-----	1,571,732
Army and Air National Guard.....	211	-----	-----	-----	-----	-----	-----	-----	-----	-----
Reimbursements for Civil Defense.....	211	-----	-----	-----	-----	-----	-----	-----	-----	-----
Totals, Military Department.....		\$768,071	\$19,543 (56,356,674)	\$787,614 (56,356,674)	\$788,013	\$21,257 (57,777,753)	\$809,270 (57,777,753)	\$1,571,732	\$21,776 (64,406,726)	\$1,593,508 (64,406,726)
Totals, General Administration.....		\$2,158,324	\$19,543 (56,356,674)	\$2,177,867 (56,356,674)	\$3,097,267	\$21,257 (57,777,753)	\$3,118,524 (57,777,753)	\$3,414,681	\$21,776 (64,406,726)	\$3,436,457 (64,406,726)
MISCELLANEOUS:										
Arts Commission.....	235	\$47,363	-----	\$47,363	\$85,000	-----	\$85,000	\$125,000	-----	\$125,000
TOTALS, GENERAL GOVERNMENT.....		\$3,056,803	\$268,026 (132,711,782)	\$3,324,829	\$4,535,995	\$396,448 (128,400,637)	\$4,932,443 (128,400,637)	\$4,925,305	\$355,288 (109,812,856)	\$5,278,593 (109,812,856)

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Department	Page reference	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
STATE OPERATIONS—Continued										
AGRICULTURE AND SERVICES ¹										
DEPARTMENT OF AGRICULTURE:										
Department of Agriculture—Support.....	318		\$1,692,683	\$1,692,683			\$1,987,920		\$2,136,970	\$2,136,970
Cooperative Marketing Research.....	319	\$52,849		52,849		\$46,921	46,921			
Participation in State Projects.....	319	62,634		62,634						
Totals, Department of Agriculture.....		\$115,483	\$1,692,683	\$1,808,166	\$46,921	\$1,987,920	\$2,034,841		\$2,136,970	\$2,136,970
Department of Consumer Affairs:										
Board of Examiners of Nursing Home Administrators.....	402						\$7,500		\$15,000	\$15,000
Personnel Board—Support.....	529		\$85,679	\$85,679			863,828		587,386	587,386
Veterans Home of California:										
Care and Maintenance of Veterans.....	565	\$2,087,658		2,087,658	\$2,470,400		2,470,400	\$2,435,810		2,435,810
TOTALS, AGRICULTURE AND SERVICES.....		\$2,203,141	\$1,778,362	\$3,981,503	\$2,517,321	\$2,859,248	\$5,376,569	\$2,435,810	\$2,739,356	\$5,175,166
BUSINESS AND TRANSPORTATION ¹										
BUSINESS:										
Department of Housing and Community Development—Support.....	37		\$40,000	\$40,000			\$232,933		\$177,110	\$177,110
TRANSPORTATION:										
Office of Traffic Safety.....	68									
Office of Transportation Planning and Research.....	70						2,900	\$441,500	\$1,000	\$441,500
Special Transportation Services and Studies.....	74	\$109,151		109,151	\$12,229		12,229			1,000
Department of Aeronautics—Support.....	89		\$59,243	559,243			543,000	454,708		454,708
Department of the California Highway Patrol—Support.....	116		218,516	218,516			318,567	154,000		154,000
Department of Motor Vehicles—Support.....	144									
Totals, Transportation.....		\$109,151	\$777,759	\$886,910	\$12,229	\$864,467	\$876,696	\$896,208	\$155,000	\$1,051,208
TOTALS, BUSINESS AND TRANSPORTATION.....		\$109,151	\$817,759	\$926,910	\$12,229	\$1,097,400	\$1,109,629	\$896,208	\$332,110	\$1,228,318
RESOURCES ¹										
Air Resources Board—Support.....	291		\$887,760	\$887,760			\$981,910		\$800,000	\$800,000
Department of Conservation—Support.....	316		\$725,148	\$725,148			\$876,847		\$737,903	\$737,903
Department of Fish and Game:										
Department of Fish and Game—Support.....	369		676,207	676,207			670,682		646,360	646,360
Game Management.....	371	\$1,586,494		1,586,494	\$1,407,300		1,407,300	\$2,000,925		2,000,925
Fisheries Management.....	371	439,245		439,245	514,050		514,050	588,750		588,750
Commercial Fisheries Program.....	371	211,487		211,487	266,475		266,475	246,000		246,000
Totals, Department of Fish and Game.....		\$2,237,226	\$676,207	\$2,913,433	\$2,187,825	\$670,682	\$2,858,507	\$2,835,675	\$646,360	\$3,482,035

1 Page references relate to appropriate volumes of the Budget Supplements.

Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Department	Page reference	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
STATE OPERATIONS—Continued										
RESOURCES—Continued										
Department of Parks and Recreation—Support.....	424		313,411	313,411		258,650	258,650		212,477	212,477
Department of Water Resources—Support.....	526		326,957	326,957		306,824	306,824		274,000	274,000
Water Resources Control Board—Support.....	584	\$741,635		741,635	\$808,000		808,000	\$653,000		653,000
TOTALS, RESOURCES.....		\$2,978,861	\$2,929,483	\$5,908,344	\$2,995,825	\$3,094,913	\$6,090,738	\$3,488,675	\$2,670,740	\$6,159,415
HUMAN RELATIONS ¹										
Department of Corrections—Support.....	60		\$107,051	\$107,051		\$70,538	\$70,538		\$43,242	\$43,242
Department of the Youth Authority:										
Department of the Youth Authority—Support.....	159		217,929	217,929		513,129	513,129		117,189	117,189
Special Project Activity.....	159	\$1,296,051		1,296,051	\$1,752,282		1,752,282	\$1,684,427		1,684,427
Totals, Department of the Youth Authority.....		\$1,296,051	\$217,929	\$1,513,980	\$1,752,282	\$513,129	\$2,265,411	\$1,684,427	\$117,189	\$1,801,616
Department of Human Resources Development:										
Unemployment Security Financing Act.....	247	\$35,931		\$35,931	\$41,100		\$41,100	\$42,344		\$42,344
Benefit Payments and Other Expenditures.....	247	498,554,710		498,554,710	749,500,000		749,500,000	678,700,000		678,700,000
Administration—Support.....	247	80,021,682		80,021,682	87,710,816		87,710,816	87,723,118		87,723,118
Other Federal Funds.....	247	34,765,958		34,765,958	56,033,166		56,033,166	55,438,506		55,438,506
Totals, Department of Human Resources Development.....		\$613,378,281		\$613,378,281	\$893,285,082		\$893,285,082	\$821,903,968		\$821,903,968
Department of Industrial Relations—Support.....										
	301	\$645,833	\$67,200	\$713,033	\$357,207	\$460,522	\$817,729	\$284,500		\$284,500
Department of Mental Hygiene:										
Department of Mental Hygiene—Support.....	336		\$3,995,995	\$3,995,995		\$6,920,941	\$6,920,941		\$7,424,293	\$7,424,293
Departmental Administration.....	336	\$1,096,449		1,096,449						
Research and Training.....	337	371,090		371,090	\$416,561		416,561	\$440,000		440,000
Totals, Department of Mental Hygiene.....		\$1,467,539	\$3,995,995	\$5,463,534	\$416,561	\$6,920,941	\$7,337,502	\$440,000	\$7,424,293	\$7,864,293
Department of Public Health:										
Special Project Activities.....	467		\$7,029,333	\$7,029,333		\$6,839,977	\$6,839,977		\$7,819,988	\$7,819,988
Department of Public Health—Support.....	467	\$6,288,555	1,620,869	7,909,424	\$4,755,889	2,213,073	6,968,962	\$4,755,889	2,274,501	7,030,480
Totals, Department of Public Health.....		\$6,288,555	\$8,650,202	\$14,938,757	\$4,755,889	\$9,053,050	\$13,808,939	\$4,755,889	\$10,094,579	\$14,850,468
Department of Rehabilitation:										
Department of Rehabilitation—Support.....	504	\$19,484,909		\$19,484,909	\$21,800,878		\$21,800,878	\$21,848,563		\$21,848,563
Cooperative Rehabilitation Services.....	504	11,011,542		11,011,542	11,729,387		11,729,387	15,106,109		15,106,109
Disability Determination Program.....	504	5,487,187		5,487,187	6,799,110		6,799,110	7,166,923		7,166,923
Totals, Department of Rehabilitation.....		\$35,983,638		\$35,983,638	\$40,329,375		\$40,329,375	\$44,121,595		\$44,121,595

1 Page references relate to appropriate volumes of the Budget Supplements.

Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Department	Page reference	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		Grants	Reimburse-ments and special projects	Total	Grants	Reimburse-ments and special projects	Total	Grants	Reimburse-ments and special projects	Total
STATE OPERATIONS—Continued										
HUMAN RELATIONS—Continued										
Department of Social Welfare:										
State Administration and Public Assistance—Support.....	559	\$10,072,503		\$10,072,503	\$11,118,821		\$11,118,821	\$11,918,514		\$11,918,514
TOTALS, HUMAN RELATIONS.....		\$669,132,400	\$13,038,377	\$682,170,777	\$952,015,217	\$17,018,180	\$969,033,397	\$885,108,893	\$17,679,303	\$902,788,196
EDUCATION ¹										
Department of Education—Support.....	61	\$11,047,081		\$11,047,081	\$18,394,170		\$18,394,170	\$20,269,614		\$20,269,614
Higher Education:										
Coordinating Council for Higher Education—Support.....	138	566,005		566,005	433,360		433,360	484,486		484,486
University of California:										
Special Federal Research Projects.....	172		\$292,087,729	\$292,087,729		\$292,088,000	\$292,088,000		\$292,088,000	\$292,088,000
Other Federal Projects.....	172		171,094,035	171,094,035		182,038,156	182,038,156		191,208,381	191,208,381
Totals, University of California.....			\$463,181,764	\$463,181,764		\$474,126,156	\$474,126,156		\$483,296,381	\$483,296,381
Hastings College of the Law:										
Work Study Program.....	377	\$17,588		\$17,588	\$56,830		\$56,830	\$56,830		\$56,830
Trustees of the California State Colleges:										
State College System—Support.....	397		\$19,119,969	\$19,119,969		\$29,571,375	\$29,571,375		\$32,484,029	\$32,484,029
State College Foundations.....	402		21,202,585	21,202,585		19,082,327	19,082,327		17,174,096	17,174,096
Totals, State Colleges.....			\$40,322,554	\$40,322,554		\$48,653,702	\$48,653,702		\$49,658,125	\$49,658,125
Maritime Academy—Support.....	613	\$212,329		\$212,329	\$216,600		\$216,600	\$215,400		\$215,400
Board of Governors of the Community Colleges—Support.....	633		346,079	346,079		851,732	851,732		925,016	925,016
Totals, Higher Education.....		\$795,922	\$503,850,397	\$504,646,319	\$706,790	\$523,631,590	\$524,338,380	\$756,716	\$533,879,522	\$534,636,238
TOTALS, EDUCATION.....		\$11,843,003	\$503,850,397	\$515,693,400	\$19,100,960	\$523,631,590	\$542,732,550	\$21,026,330	\$533,879,522	\$554,905,852
TOTALS, STATE OPERATIONS.....		\$689,323,359	\$522,682,404	\$1,212,005,763	\$981,177,547	\$548,097,779	\$1,529,275,326	\$917,881,221	\$557,654,319	\$1,475,535,540
LOCAL ASSISTANCE										
GENERAL GOVERNMENT ¹										
MISCELLANEOUS:										
Storm and Flood Damage Repair.....	247	\$16,599,327		\$16,599,327	\$3,472,314		\$3,472,314			
SHARED REVENUES:										
Federal Receipts from Flood Control Land.....	272	124,758		124,758	116,338		116,338	\$125,000		\$125,000
Federal Receipts from Forest Reserves.....	272	15,700,965		15,700,965	13,534,386		13,534,386	12,000,000		12,000,000
Federal Receipts from Grazing Lands.....	272	50,394		50,394	56,765		56,765	57,000		57,000
Federal Potash Lease Rentals.....	272	541,055		541,055	546,000		546,000	550,000		550,000
Totals, Shared Revenues.....		\$16,417,172		\$16,417,172	\$14,253,489		\$14,253,489	\$12,732,000		\$12,732,000
TOTALS, GENERAL GOVERNMENT.....		\$33,016,499		\$33,016,499	\$17,725,803		\$17,725,803	\$12,732,000		\$12,732,000

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Department	Page reference	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		Grants	Reimbursements and special projects	Total	Grants	Reimbursements and special projects	Total	Grants	Reimbursements and special projects	Total
LOCAL ASSISTANCE—Continued										
BUSINESS AND TRANSPORTATION ¹										
Local Roads and Highways.....	187	\$27,489,587	-----	\$27,489,587	\$74,682,726	-----	\$74,682,726	\$37,130,000	-----	\$37,130,000
RESOURCES:										
Department of Parks and Recreation: Land and Water Conservation Fund Act.....	426	\$1,367,614	-----	\$1,367,614	\$400,004	-----	\$400,004	-----	-----	-----
HUMAN RELATIONS:										
Department of the Youth Authority: Assistance to Counties for Pilot Youth Service Bureaus.....	161	\$122,007	-----	\$122,007	\$125,000	-----	\$125,000	-----	-----	-----
Department of Health Care Services.....	222	509,826,800	-----	609,826,800	551,624,493	-----	551,624,493	622,540,936	-----	522,540,936
Department of Public Health:										
Care of Crippled Children.....	470	1,416,911	-----	1,416,911	2,129,912	-----	2,129,912	2,129,912	-----	2,129,912
Assistance to Counties Without Local Health Departments ..	471	117,839	-----	117,839	130,406	-----	130,046	130,406	-----	130,406
Assistance to Local Health Departments.....	472	3,360,678	-----	3,360,678	4,890,887	-----	4,890,887	4,890,887	-----	4,890,887
Mental Retardation Services.....	472	-----	-----	-----	1,000,000	-----	1,000,000	1,000,000	-----	1,000,000
Hospital Construction.....	473	17,721,197	-----	17,721,197	28,333,869	-----	28,333,869	28,333,869	-----	28,333,869
Totals, Department of Public Health.....		\$22,616,625	-----	\$22,616,625	\$35,485,074	-----	\$36,485,074	\$35,485,074	-----	\$36,485,074
Department of Social Welfare:										
State Administration and Public Assistance Programs—Local Assistance.....	560	\$905,653,085	-----	\$905,653,085	\$1,165,052,640	-----	\$1,165,052,640	\$1,123,460,629	-----	\$1,123,460,629
TOTALS, HUMAN RELATIONS.....		\$1,438,218,517	-----	\$1,438,218,517	\$1,752,287,207	-----	\$1,753,287,207	\$1,681,486,639	-----	\$1,682,486,639
EDUCATION:										
Education.....	68	\$187,286,927	-----	\$187,286,927	\$185,607,932	-----	\$185,607,932	\$255,131,113	-----	\$255,131,113
TOTALS, LOCAL ASSISTANCE.....		\$1,687,379,144	-----	\$1,687,379,144	\$2,030,703,672	-----	\$2,031,703,672	\$1,986,479,752	-----	\$1,987,479,752
CAPITAL OUTLAY										
State Building Program.....		\$19,156,444	-----	\$19,156,444	\$39,071,873	-----	\$39,071,873	\$14,356,000	-----	\$14,356,000
State Highway Program.....		(226,011)	-----	(226,011)	(225,000)	-----	(225,000)	(1,857,000)	-----	(1,857,000)
Wildlife Conservation Program.....		427,062,241	-----	427,062,241	433,388,025	-----	433,388,025	365,190,000	-----	365,190,000
Parks and Recreation Acquisition and Development Program.....		784,929	-----	784,929	-----	-----	-----	-----	-----	-----
California Water Facilities Program.....		3,320,411	-----	3,320,411	208,259	-----	208,259	1,757,500	-----	1,757,500
TOTALS, CAPITAL OUTLAY.....		\$450,324,025	-----	\$450,324,025	\$476,734,951	-----	\$476,734,951	\$381,303,509	-----	\$381,303,509
TOTAL EXPENDITURES:										
State Operations.....		(226,011)	-----	(226,011)	(225,000)	-----	(225,000)	(1,857,000)	-----	(1,857,000)
Local Assistance.....		\$689,323,359	-----	\$1,212,005,763	\$981,177,547	-----	\$1,529,275,326	\$557,054,319	-----	\$1,475,535,540
Capital Outlay.....		1,687,379,144	-----	(132,711,782)	(128,400,637)	-----	(128,400,637)	(109,812,856)	-----	(109,812,856)
TOTALS, EXPENDITURES.....		450,324,025	-----	1,687,379,144	2,030,703,672	-----	2,031,703,672	1,986,479,752	-----	1,987,479,752
		(226,011)	-----	450,324,025	476,734,951	-----	476,734,951	381,303,500	-----	381,303,500
		-----	-----	(226,011)	(225,000)	-----	(225,000)	(1,857,000)	-----	(1,857,000)
		\$2,827,026,528	-----	\$3,349,708,932	\$3,488,616,170	-----	\$4,037,713,949	\$3,285,664,473	-----	\$3,844,318,792
		(226,011)	-----	(132,937,793)	(225,000)	-----	(128,625,637)	(1,857,000)	-----	(111,669,856)

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 7—SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATIONS FOR THE FISCAL YEAR 1971-72

Function	Proposed Budget Act of 1971			Constitution and Statutory Authorizations			Prior Year Appropriations, Continuing Appropriations, and Reappropriations			Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total		
STATE OPERATIONS AND LOCAL ASSISTANCE											
GENERAL GOVERNMENT:											
Legislative:	\$26,445,461		\$26,445,461							\$27,245,461	\$27,245,461
Judicial:	b (2,340,000)		b (2,340,000)	\$2,340,000		\$2,340,000				2,340,000	2,340,000
Executive:	19,879,220	\$13,702	19,392,922	2,237,763		2,237,763				21,630,685	21,630,685
General Administration:	4,334,904	114,100	4,449,004							4,535,998	4,535,998
General Administration—Bond Funds	75,125,687	17,477,129	92,602,816							92,602,816	92,602,816
Miscellaneous:	3,356,104		3,745,793							4,825,885	4,825,885
Property Tax Relief:	245,000,000	389,689	245,000,000				\$1,080,092		1,080,092	343,755,000	343,755,000
Debt Service:	14,400,000		14,400,000				79,000,000		98,755,000	118,229,808	118,229,808
Unallocated:	5,844,197	4,638,620	10,482,817	103,829,808		103,829,808				10,482,817	10,482,817
Shared Revenues:				1,405,000	\$663,490,000	664,895,000				664,895,000	664,895,000
TOTAL, GENERAL GOVERNMENT	\$393,885,573	\$22,633,240	\$416,518,813	\$109,812,571	\$663,490,000	\$773,302,571	\$80,080,092	\$20,641,994	\$100,722,086	\$1,290,543,470	\$1,290,623,470
Agriculture and Services:	54,925,034	21,051,510	75,976,544		6,040,500	6,040,500		(80,000)	(80,000)	82,836,044	82,836,044
Business and Transportation:	17,432,969	211,050,062	228,483,031		143,228,991	143,228,991		819,000	819,000	372,809,522	372,809,522
Resources:	85,117,530	23,383,431	108,500,961		4,000,000	4,000,000		1,097,500	1,097,500	115,365,954	115,365,954
Resources—Bond Funds:		(1,088,820)	(1,088,820)					2,864,993	2,864,993	52,628,820	52,628,820
Human Relations:	1,272,740,069	797,052	1,273,537,121					(51,540,000)	(51,540,000)	1,274,056,035	1,274,056,035
Education:	b (573,573,000)		b (573,573,000)	573,573,000		573,573,000				573,573,000	573,573,000
	782,131,910	233,200	782,365,110	74,306,808	3,000,000	77,306,808	2,724,814	20,276,000	23,000,814	882,672,732	882,672,732
	b (1,443,000,000)		b (1,443,000,000)	1,443,000,000		1,443,000,000				1,443,000,000	1,443,000,000
Credits to General Fund for overhead services charged to agencies supported from Special Funds:	-12,800,000		-12,800,000							-12,800,000	-12,800,000
Estimated Unidentified Savings:	-12,000,000		-12,000,000							-12,000,000	-12,000,000
TOTALS, STATE OPERATIONS AND LOCAL ASSISTANCE	\$2,581,433,085	\$279,148,495	\$2,860,581,580	\$2,200,692,379	\$819,759,491	\$3,020,451,870	\$83,323,820	\$45,699,487	\$129,023,307	\$6,010,056,757	\$6,062,765,577
General Fund:	\$2,581,433,085		\$2,581,433,085	\$2,200,692,379		\$2,200,692,379	\$83,323,820			\$4,865,449,284	\$4,865,449,284
Special Funds:		\$279,148,495	\$279,148,495		\$819,759,491	\$819,759,491		\$45,699,487	\$45,699,487	1,144,607,473	1,144,607,473
Clean Water Bond Fund:								(51,661,000)	(51,661,000)	7,000	7,000
State Construction Program Fund:											
California Water Resources Development Bond Fund:								(40,000)	(40,000)	40,000	40,000
State Beach, Park, Recreational and Historical Facilities Fund:								(6,000)	(6,000)	1,094,820	1,094,820
Recreation and Fish and Wildlife Enhancement Fund:		(1,088,820)	(1,088,820)					(6,000)	(6,000)	6,000	6,000

Schedule 7—SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATIONS FOR THE FISCAL YEAR 1971-72—Continued

Function	Proposed Budget Act of 1971			Constitution and Statutory Authorizations			Prior Year Appropriations, Continuing Appropriations, and Reappropriations			Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total		
CAPITAL OUTLAY											
State Building Program-----	\$150,000	\$13,087,602	\$13,237,602				\$10,000,000	—\$10,155,003	—\$155,003	\$13,082,599	\$13,082,599
State Building Program Bonds-----		(26,510,959)						(1,500,000)			28,010,959
District Fair Construction Program-----	—1,750,000	1,822,437	72,437		\$411,563	\$411,563	—100,000		—100,000	384,000	384,000
State Highway Program-----					343,529,218	343,529,218				343,529,218	343,529,218
Wildlife Conservation Program-----		410,000	410,000		750,000	750,000		192,100	192,100	1,352,100	1,352,100
Wildlife Conservation Program—Bond Funds-----		(180,000)									180,000
Parks and Recreation Acquisition and Development Program-----	100,000		100,000							100,000	100,000
Parks and Recreation Acquisition and Development Program—Bond Funds-----											
California Water Facilities Program-----	1,587,000	(26,998,112)	1,587,000							1,587,000	1,587,000
California Water Facilities Program—Bond Funds-----								(260,662,210)			260,662,210
TOTALS, CAPITAL OUTLAY	\$87,000	\$15,320,039	\$15,407,039		\$344,690,781	\$344,690,781	\$9,900,000	—\$9,962,903	—\$62,903	\$360,034,917	\$675,886,198
General Fund-----	\$87,000						\$9,900,000			\$9,987,000	\$9,987,000
Special Funds-----		\$15,320,039			\$344,690,781			—\$9,962,903		\$60,047,917	\$60,047,917
State Construction Program Fund-----		(26,510,959)						(1,500,000)		28,010,959	28,010,959
Central Valley Water Project Construction Fund-----								(83,233,641)			83,233,641
California Water Resources Development Bond Fund-----								(177,428,569)			177,428,569
State Beach, Park, Recreational and Historical Facilities Fund-----		(18,354,844)									18,354,844
Recreation and Fish and Wildlife Enhancement Fund-----		(8,823,268)									8,823,268
TOTALS, EXPENDITURES	\$2,581,520,085	\$294,468,534	\$2,875,988,619	\$2,200,692,379	\$1,164,450,272	\$3,365,142,651	\$93,223,820	\$35,736,584	\$128,960,404	\$6,370,091,674	\$6,738,651,775
General Fund-----	\$2,581,520,085			\$2,200,692,379			\$93,223,820			\$4,875,436,284	\$4,875,436,284
Special Funds-----		\$294,468,534		\$2,000,692,379	\$1,164,450,272		\$93,223,820	\$35,736,584		1,494,655,390	1,494,655,390
Clean Water Bond Fund-----								(61,561,000)		61,561,000	61,561,000
State Construction Program Fund-----		(26,510,959)						(1,500,000)		28,010,959	28,010,959
Central Valley Water Project Construction Fund-----								(83,233,641)			83,233,641
California Water Resources Development Bond Fund-----								(177,428,569)			177,428,569
State Beach, Park, Recreational and Historical Facilities Fund-----		(19,443,664)						(6,000)			19,443,664
Recreation and Fish and Wildlife Enhancement Fund-----		(8,823,268)						(6,000)			8,823,268

• Not Budget Act items.

• These are Constitutional and Statutory Authorizations which are appropriated as Budget Act items.

Schedule 8

**COMPARATIVE STATEMENT OF EXPENDITURES BY THE BUDGET ACT AND EXPENDITURES REQUIRED BY THE CONSTITUTION
OR OTHER STATUTES FOR THE FISCAL YEARS 1969-70, 1970-71, AND 1971-72**

Purpose and Legal Citation	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
REQUIRED BY CONSTITUTION: General Government: Debt Service: Bond Interest and Redemption: Various Bond Acts Ratified in the Constitution—State Operations Public School Buildings Bonds Ratified in the Constitution—Local Assistance Education: Apportionment to Public Schools: Article IX, Section 6 of the State Constitution—Local Assistance Totals, Constitutional Requirement									
	\$84,414,621		\$84,414,621	\$90,889,061		\$90,889,061	\$103,829,808		\$103,829,808
	47,375,681		47,375,681	51,513,820		51,513,820	57,906,808		57,906,808
	1888,910,020		888,910,020	1902,753,640		902,753,640	1918,900,000		918,900,000
	\$1,020,700,322		\$1,020,700,322	\$1,045,156,521		\$1,045,156,521	\$1,080,636,616		\$1,080,636,616
AUTHORIZED BY STATUTES: General Government: Legislative: Salaries of State Legislature: Section 8901, Government Code—State Operations Judicial: Supreme and Appellate Courts: Contributions to Judges' Retirement Fund, Section 75101, Government Code—State Operations Judges of Superior and Municipal Courts: Contribution to Judges' Retirement Fund, Section 75101, Government Code—Local Assistance Miscellaneous: Storm and Flood Damage Repair, Section 186.95, Streets and Highways Code—Local Assistance Shared Revenues: Apportionment of Liquor License Fees: Section 2761, Business and Professions Code—Local Assistance Apportionment of Highway Properties Rental Receipts: Section 104.10, Streets and Highways Code—Local Assistance Apportionment of Motor Vehicle License Fees (In Lieu Tax): Sections 11003.3 and 11005, Revenue and Taxation Code—Local Assistance									
	11,945,000		1,945,000	12,143,000		2,143,000	12,340,000		2,340,000
	154,183		154,183	176,622		176,622	178,763		178,763
	1,805,876		1,805,876	1,993,073		1,993,073	2,059,000		2,059,000
		7,619,823	7,619,823		3,562,707	3,562,707			
		10,643,977	10,643,977		14,800,000	14,800,000		13,000,000	13,000,000
		1,499,096	1,499,096		1,853,650	1,853,650		1,900,000	1,900,000
		221,523,174	221,523,174		239,130,000	239,130,000		253,640,000	253,640,000

* These are Constitution and Statutory Authorizations which are appropriated as Budget Act Items.

Schedule 8—EXPENDITURES BY BUDGET ACT, CONSTITUTION OR OTHER STATUTES—Continued

Purpose and Legal Citation	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CONSTITUTIONAL AND STATUTORY AUTHORIZATIONS—Continued AUTHORIZED BY STATUTES:—Continued Shared Revenues—Continued Apportionment of Cigarette Tax: Sections 30462(e) and 30133, Revenue and Taxation Code—Local Assistance Apportionment of Highway Carriers Uniform Business License Tax: Section 4306(b), Public Utilities Code—Local Assistance Apportionment of Tideland Revenues: Section 6817, Public Resources Code—Local Assistance Apportionment of Motor Vehicle Fuel Taxes to Counties: Section 2104, 2105 and 2106, Streets and Highways Code—Local Assistance Apportionment of Motor Vehicle Fuel Taxes to Cities: Section 2107 and 2107.5, Streets and Highways Code—Local Assistance Apportionment of Motor Vehicle Fuel Taxes to Cities and Counties Section 2106, Streets and Highways Code—Local Assistance		68,858,681	68,858,681		74,772,527	74,772,527		74,250,000	74,250,000
				875,000		875,000	1,200,000		1,200,000
	142,274		142,274	205,000		205,000	205,000		205,000
		139,139,479	139,139,479		146,200,000	146,200,000		153,000,000	153,000,000
		63,561,637	63,561,637		66,800,000	66,800,000		66,800,000	66,800,000
		88,978,115	88,978,115		93,600,000	93,600,000		97,900,000	97,900,000
					1,250,000	1,250,000		1,500,000	1,500,000
		3,188,000	3,188,000		3,294,000	3,294,000		2,813,500	2,813,500
		1,663,872	1,663,872		2,627,857	2,627,857		411,563	411,563
County Agricultural Fairs: Sections 19622, 19626, 19627 and 19630, Business and Professions Code—Local Assistance Business and Transportation: State Highways: Section 183, Streets and Highways Code, and Section 5323, Business and Professions Code—State Operations Section 183, Streets and Highways Code—Capital Outlay Sections 2210.5 and 143.3, Streets and Highways Code—Local Assistance Section 190, Streets and Highways Code and Sections 1231.1 and 1231.2, Public Utilities Code—Local Assistance County Airports: Section 21680, Public Utilities Code—Local Assistance Resources: Department of Navigation and Ocean Development: Section 8352(g), Revenue and Taxation Code—Local Assistance Wildlife Conservation Board: Section 1352, Fish and Game Code—Capital Outlay		2,974,448	2,974,448		2,777,500	2,777,500		1,727,000	1,727,000
		111,951,326	111,951,326		123,590,590	123,590,590		126,029,013	126,029,013
		459,856,694	459,856,694		360,658,203	360,658,203		343,529,218	343,529,218
		8,328,772	8,328,772		15,272,667	15,272,667		9,270,000	9,270,000
		4,518,375	4,518,375		7,584,359	7,584,359		5,700,000	5,700,000
		1,224,495	1,224,495		2,305,513	2,305,513		2,229,978	2,229,978
		4,000,000	4,000,000		4,000,000	4,000,000		4,000,000	4,000,000
		524,404	524,404		750,000	750,000		750,000	750,000

Schedule 8—EXPENDITURES BY BUDGET ACT, CONSTITUTION OR OTHER STATUTES—Continued

Purpose and Legal Citation	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CONSTITUTIONAL AND STATUTORY AUTHORIZATIONS—Continued									
AUTHORIZED BY STATUTES:—Continued									
Human Relations:									
Department of Social Welfare:									
Public Assistance Programs:									
Aid to Blind:							1573,573,000		573,573,000
Sections 15202 and 15203, Welfare and Institutions Code—Local Assistance:	13,459,969		8,459,969	19,536,500		9,536,500			
Aid to Disabled:									
Section 15204, Welfare and Institutions Code—Local Assistance:	195,948,894		95,948,894	1125,279,900		125,279,900			
Aid to Families with Dependent Children:									
Section 15200, Welfare and Institutions Code—Local Assistance:	1256,774,211		256,774,211	1349,117,300		349,117,300			
Old Age Security:									
Section 15201, Welfare and Institutions Code—Local Assistance:	1158,433,731		158,433,731	1171,902,800		171,902,800			
Education:									
Apportionment to Public Schools:									
Sections 17301, 18251, 18303, 6421-6434, Education Code—Local Assistance:	1533,258,222	2,855,009	536,113,231	1550,487,432	2,976,408	553,463,840	2540,500,000	3,000,000	543,500,000
Assistance to New Junior Colleges:									
Section 20211, Education Code—Local Assistance:	—9,441		—9,441						
TOTALS, STATUTORY AUTHORIZATIONS	\$1,056,912,919	\$1,202,909,377	\$2,259,822,296	\$1,211,716,627	\$1,167,805,981	\$2,379,522,608	\$1,120,055,763	\$1,164,450,272	\$2,284,506,035
TOTALS, REQUIRED BY CONSTITUTIONAL AND AUTHORIZED BY STATUTE	\$2,077,613,241	\$1,202,909,377	\$3,280,522,618	\$2,256,873,148	\$1,167,805,981	\$3,424,679,129	\$2,200,692,379	\$1,164,450,272	\$3,365,142,651
State Operations:	\$86,513,804	\$116,139,336	\$201,653,180	\$93,803,683	\$196,884,590	\$220,689,273	\$106,348,671	\$128,842,613	\$235,191,084
Local Assistance:	\$1,991,099,437	\$625,725,081	\$2,616,824,518	\$2,163,864,465	\$676,885,331	\$2,840,749,796	\$2,094,343,808	\$690,916,978	\$2,785,260,786
Capital Outlay:		\$462,044,970	\$462,044,970		\$364,036,000	\$364,036,080		\$44,690,781	\$44,690,781
BUDGET ACT AUTHORIZATIONS									
Expenditures from appropriations and authorizations which are subject to legislative or executive determinations, including Budget Act appropriations, special appropriations, balances available in prior year appropriations made available for expenditure for more than one fiscal year, and deficiency authorizations.									
State Operations:	\$1,223,437,112	\$230,491,223	\$1,453,928,335	\$1,297,217,625	\$268,235,694	\$1,565,453,319	\$1,304,383,198	\$278,698,439	\$1,583,081,637
Local Assistance:	1,056,558,665	25,114,634	1,081,673,299	1,258,862,154	22,544,807	1,281,408,061	1,360,373,707	46,251,493	1,406,625,200
Capital Outlay:	94,623,036	60,324,019	154,947,055	77,649,321	—55,678,892	21,864,659	9,987,000	5,357,136	15,344,136
TOTALS, BUDGET ACT AUTHORIZATIONS	\$2,378,468,813	\$315,929,876	\$2,694,398,689	\$2,633,622,900	\$235,151,939	\$2,868,774,839	\$2,674,743,905	\$330,205,118	\$3,004,949,023
TOTALS, EXPENDITURES	\$4,456,082,054	\$1,518,839,253	\$5,974,921,307	\$4,890,495,748	\$1,402,957,920	\$6,293,453,668	\$4,875,436,284	\$1,494,655,390	\$6,370,091,674

1 These are Constitutional and Statutory Authorizations which are appropriated as Budget Act items.
2 \$524,100,000 of this amount is statutory authorization which is appropriated as a Budget Act item.

Schedule 9—EXPENDITURES FOR THE 1969-70 AND 1970-71 FISCAL YEARS RECONCILIATION OF THE CHANGES FROM THE PREVIOUS BUDGET ESTIMATES

	1969-70 Fiscal Year			1970-71 Fiscal Year								Current Year Balance Forward Adjustments	Reestimated 1970-71 Expenditures
	1970-71 Governor's Budget Estimated Expenditures	Savings	1971-72 Governor's Budget Actual Expenditures	1970-71 Governor's Budget as Submitted	Effect of Legislative Action	Prior Year Balance Forward Adjustments	Transfers	Allocations	Deficiency Appropriations	Continuing Appropriation Augmentation	Estimated Savings (-)		
GENERAL FUND													
STATE OPERATIONS													
General Government:													
Legislative.....	\$27,697,269	\$69,202	\$27,766,471	\$26,190,263	\$1,186,191	\$101,370	-----	\$92,793	-----	-----	\$-141	\$27,570,475	
Judicial.....	8,124,205	-166,774	7,957,431	6,021,922	176,506	1,906	-----	297,402	-----	-----	-----	8,497,736	
Executive.....	4,013,296	-76,826	3,936,470	4,537,218	-218,760	11,541	-----	112,098	-----	-----	-23,559	4,324,379	
General Administration.....	72,268,578	-3,951,633	68,316,945	71,269,460	-218,760	45,541	-----	3,096,298	-----	-----	-172,719	74,019,840	
Miscellaneous.....	1,942,279	-9,066	1,933,193	2,016,874	20,000	-----	-----	544,503	-----	-----	-----	2,581,377	
Debt Service.....	86,944,575	-1,762,698	85,181,877	98,388,396	-----	-----	-----	-----	-----	\$5,700,665	-4,000,000	100,069,081	
Unallocated.....	945,016	-787,657	157,359	61,126,911	-16,570,920	-----	-----	-44,413,509	\$4,175,000	-----	-1,692,209	665,273	
Totals, General Government.....	\$201,935,218	\$-6,665,272	\$195,249,946	\$271,551,064	\$-17,719,902	\$180,366	-----	\$-40,270,415	\$4,175,000	\$5,700,665	\$-5,865,628	\$217,738,142	
Agriculture and Services.....	\$55,666,670	\$-1,596,705	\$54,070,165	\$55,929,493	\$-1,643,026	\$16,498	-----	\$2,234,628	-----	-----	\$-651,302	\$55,666,291	
Business and Transportation.....	17,566,333	-2,622,345	14,965,988	17,089,360	37,844	1,503,212	-----	647,074	-----	-----	-64,234	19,183,240	
Resources.....	64,660,308	-3,541,561	61,118,757	81,211,106	-2,251,042	166,000	-----	6,200,668	-----	-----	-130,000	65,469,630	
Human Relations.....	342,925,276	-10,362,488	332,572,793	338,138,321	2,142,244	-875,676	-----	13,687,216	-----	-----	-653,468	339,697,432	
Education:													
Higher Education.....	19,994,246	-621,461	19,372,787	18,621,325	-241,047	71,511	-----	714,494	-----	\$189,500	-147,653	19,168,220	
Credits to General Fund for services charged to agencies supported from Special Funds.....	634,700,237	-4,436,995	630,263,242	667,067,866	-10,426,283	31,396	-----	11,547,697	-----	-----	-157,451	668,069,247	
Estimated Unidentified Savings.....	-10,300,000	-2,312,762	-12,512,762	-10,500,000	-----	-----	-----	-----	-----	-----	-1,300,000	-11,800,000	
	-7,500,000	7,500,000	-----	-6,000,000	-----	-----	-----	-----	-----	-----	-17,000,000	-23,000,000	
Totals, State Operations.....	\$1,339,672,490	\$-24,071,574	\$1,315,000,916	\$1,433,078,545	\$-30,101,212	\$1,073,301	\$8,069,658	\$-5,236,638	\$4,175,000	\$5,870,265	\$-26,162,736	\$1,390,426,208	
LOCAL ASSISTANCE													
General Government:													
Judicial.....	\$11,695,246	\$374,325	\$12,069,571	\$11,486,773	-----	-----	-----	\$651,037	-----	-----	\$-189,928	\$12,227,892	
General Administration.....	775,000	-----	775,000	775,000	-----	-----	-----	-----	-----	-----	-----	775,000	
Miscellaneous.....	4,363,046	-4,220,339	162,709	2,381,587	\$1,218,878	-----	-----	-----	-----	-----	\$-1,600,000	1,400,465	
Property Tax Relief.....	244,592,857	-2,225,688	242,367,169	319,642,887	\$-1,000,000	-----	-----	-----	\$4,700,000	-----	-3,114,266	320,226,571	
Shared Revenues.....	205,000	-62,725	142,274	205,000	875,000	-----	-----	-----	-----	-----	-----	1,069,000	
Totals, General Government.....	\$261,651,151	\$-6,134,428	\$256,516,723	\$334,471,217	\$-125,000	\$1,218,878	-----	\$651,037	\$4,700,000	-----	\$-4,604,214	\$335,711,918	
Agriculture and Services.....	\$172,046	\$-615	\$171,431	\$172,046	-----	-----	-----	-----	-----	-----	-----	\$172,046	
Business and Transportation.....	391,000	-37,000	354,000	236,921	-----	337,000	-----	-----	-----	-----	\$-12,785	273,921	
Resources.....	9,942,676	-6,465,966	3,476,910	2,151,000	-----	2,375,663	\$-312,398	-----	-----	-----	-----	4,201,500	
Human Relations.....	1,159,006,991	370,978	1,159,377,969	1,324,541,129	\$28,868,125	788,325	-2,777,260	\$4,274,924	-----	\$61,813,700	-606,903	1,416,903,040	
Education.....	1,664,996,684	-37,437,615	1,627,561,069	1,665,638,292	35,066,287	344,540	-5,000,000	12,457	-----	-2,250,000	-18,546,392	1,665,284,194	
Totals, Local Assistance.....	\$3,096,162,748	\$-49,704,646	\$3,046,458,102	\$3,317,210,605	\$63,808,412	\$4,764,426	\$-8,089,658	\$5,238,118	\$4,700,000	\$59,563,700	\$-23,989,264	\$3,422,528,619	
Totals, Capital Outlay.....	\$161,451,371	\$-86,828,335	\$94,623,036	\$47,715,901	\$-40,442,678	\$114,461,340	-----	\$220	-----	-----	\$-34,493,646	\$77,542,921	
TOTALS, GENERAL FUND.....	\$4,617,266,000	\$-161,204,555	\$4,456,062,054	\$4,798,006,061	\$-6,735,478	\$120,299,067	-----	-----	\$6,675,000	\$65,433,955	\$-84,625,666	\$4,890,495,746	

* Includes Clarke-McNary data in expenditures.

**Schedule 9—EXPENDITURES FOR THE 1969-70 AND 1970-71 FISCAL YEARS
RECONCILIATION OF THE CHANGES FROM THE PREVIOUS BUDGET ESTIMATES—Continued**

	1950-70 Fiscal Year				1970-71 Fiscal Year									
	1970-71 Governor's Budget Estimated Expenditures	Savings	1971-72 Governor's Budget Actual Expenditures	1970-71 Governor's Budget as Submitted	Effect of Legislative Action	Prior Year Balance Forward Adjustments	Transfers	Allocations	Deficiency Appropriations	Continuing Appropriation Augmentation	Estimated Savings	Current Year Balance Forward Adjustments	Reestimated 1970-71 Fiscal Year Expenditures	
SPECIAL FUNDS														
STATE OPERATIONS														
General Government:														
Legislative.....	\$-281,808	\$-2,981,821	\$-3,283,629	\$800,000		\$2,081,819						\$-1,386,554	\$2,195,265	
Judicial.....	10,145		10,145	11,858									11,556	
Executive.....	107,987	-841	107,146	110,000				\$2,200					112,200	
General Administration.....	11,427,708	-802,305	10,625,403	11,482,349	\$878			404,018					11,887,245	
Miscellaneous.....	376,753	-16,833	359,920	383,351				32,476			\$-6,831		389,196	
Unallocated.....	43,002	-1,738	41,264	21,017,302	16,464			-10,475,865			-10,524,135		33,786	
Totals, General Government.....	\$11,683,757	\$-3,803,538	\$7,880,249	\$33,584,858	\$17,342	\$2,081,819		\$-10,037,171			\$-10,530,766	\$-1,386,554	\$14,829,528	
Agriculture and Services.....	\$28,474,150	\$-1,568,573	\$26,907,577	\$28,347,634	\$1,391,420	\$115,177		\$1,531,373			\$-953,045		\$30,432,559	
Business and Transportation.....	298,854,628	-7,359,027	291,505,501	302,446,701	2,755,877	867,793		7,700,724		\$9,837,220	-1,100,758	\$-87,840	322,439,719	
Resources.....	19,008,852	-590,896	18,408,756	19,780,467	10,489,413	10,801		671,865			-20,000	-5,115,801	25,798,745	
Human Relations.....	844,218	-141,770	702,439	711,859				133,209			-93,435		751,433	
Education.....					37,000								37,000	
Higher Education *.....	233,200	-7,273	225,927	233,200	850,000								1,083,200	
Totals, State Operations.....	\$350,108,535	\$-13,478,086	\$345,630,549	\$385,084,519	\$15,541,052	\$3,975,390				\$9,837,220	\$-12,698,002	\$-6,589,905	\$395,170,184	
LOCAL ASSISTANCE														
General Government:														
General Administration.....	\$4,927,400	\$-1,227,400	\$3,700,000	\$5,158,770									\$5,168,770	
Miscellaneous.....	7,925,000	-289,102	7,635,898	6,883,000	\$451,883	\$-1,818,542						\$-1,953,614	3,562,707	
Property Tax Relief.....	8,875,034	5,163,280	14,038,314	-9,758,312							\$6,375,502		-3,382,810	
Shared Revenues.....	597,722,704	-3,518,545	594,204,159	625,322,547						\$15,458,630	-3,825,000		537,156,177	
Totals, General Government.....	\$619,450,138	\$128,233	\$619,578,371	\$627,616,005	\$451,883	\$-1,818,542				\$15,458,630	\$2,750,502	\$-1,953,614	\$642,504,844	
Agriculture and Services.....	\$3,148,900	\$-174,452	\$2,974,448	\$2,533,300	\$1,250,000	\$127,000				\$292,200	\$-175,000		\$4,027,500	
Business and Transportation.....	24,859,180	-3,150,749	21,708,431	22,501,513		743,044				5,998,867	-66,762	\$-1,041,923	28,132,539	
Resources.....	3,792,197	-1,224	3,790,973	3,788,847									3,788,647	
Human Relations.....		-87,517	-67,517											
Education.....	3,076,000	-220,991	2,855,009	3,075,000	16,400,009					1,501,408			20,978,408	
Totals, Local Assistance.....	\$554,326,415	\$-3,486,700	\$550,839,715	\$559,514,465	\$18,101,863	\$-948,498				\$23,248,905	\$2,508,740	\$-2,995,537	\$599,429,938	
Totals, Capital Outlay.....	\$440,128,858	\$82,240,131	\$522,368,989	\$307,505,190	\$-14,884,184	\$-39,235,115		\$217,963		\$77,110,518	\$-21,567,184	\$-809,390	\$308,357,798	
TOTALS, SPECIAL FUNDS.....	\$1,453,563,908	\$85,275,345	\$1,515,839,253	\$1,352,104,174	\$18,778,731	\$-36,208,223		\$217,963		\$110,196,843	\$-31,756,446	\$-10,374,922	\$1,402,957,920	

* Refer to the "Extension Program Revenue Fund" on page 411 of the 1970-71 General Budget which has been administratively processed in the 1971-72 General Budget as a nongovernmental cost fund.

Total as printed on page A-3, 1970-71 General Budget.....

\$1,457,183,759

\$1,356,094,325

Schedule 10

STATEMENT OF BONDED DEBT OF THE STATE OF CALIFORNIA AS OF JANUARY 4, 1971

(This statement does not include bonds issued under authority of state instrumentalities which are not general obligations of the State of California.)

Name of Issue	Percent Rate of Interest	Maturity	Authorized	Unsold	Redemptions	Outstanding
GENERAL OBLIGATION BONDS						
GENERAL FUND BONDS						
State Construction Program Bond Act of 1955 -----	3¼-5	1959-1985	\$200,000,000	-	\$74,000,000	\$126,000,000
State Construction Program Bond Act of 1958 -----	½-5	1962-1989	200,000,000	-	53,600,000	146,400,000
State Construction Program Bond Act of 1962 -----	½-5	1965-1991	270,000,000	-	42,600,000	227,400,000
State Construction Program Bond Act of 1964 -----	3¼-6½	1967-1990	380,000,000	-	35,400,000	344,600,000
State Higher Education Construction Program Bond Act of 1966 -----	3½-7	1968-1993	230,000,000	-	11,390,000	218,610,000
Junior College Construction Bond Act of 1968 -----	3½-6½	1970-1990	65,000,000	\$30,000,000	600,000	34,400,000
State Beach, Park, Recreational and Historical Facilities Bond Act of 1964 -----	3¼-6½	1967-1990	150,000,000	45,000,000	9,700,000	95,300,000
Recreation and Fish and Wildlife Enhancement Bond Act of 1970 -----			60,000,000	60,000,000	-	-
California Clean Water Bond Act of 1970 -----			250,000,000	250,000,000	-	-
Subtotal General Fund Bonds -----			\$1,805,000,000	\$385,000,000	\$227,290,000	\$1,192,710,000
PARTIALLY SELF-LIQUIDATING BONDS ^b						
State School Building Act of 1949 -----	1-4½	1952-1978	\$250,000,000	-	\$169,100,000	\$80,900,000
State School Building Act of 1952 -----	½-5	1955-1990	185,000,000	-	89,300,000	95,700,000
State School Building Act of 1954 -----	3¼-5	1959-1984	100,000,000	-	42,100,000	57,900,000
State School Building Act of 1956 -----	1-5	1960-1985	100,000,000	-	36,000,000	64,000,000
State School Building Act of 1958 -----	3-5	1961-1987	220,000,000	-	65,000,000	155,000,000
State School Building Act of 1960 -----	½-5	1963-1990	300,000,000	-	67,800,000	232,200,000
State School Building Act of 1962 -----	½-5	1966-1991	200,000,000	-	28,800,000	171,200,000
State School Building Act of 1964 -----	3-5	1967-1994	260,000,000	-	19,400,000	240,600,000
State School Building Act of 1966 -----	5-7	1970-1990	275,000,000	\$144,900,000	785,000	129,315,000
Totals, Partial Self-Liquidating Bonds -----			\$1,890,000,000	\$144,900,000	\$518,285,000	\$1,226,815,000
Totals, General Fund Bonds -----			\$3,695,000,000	\$529,900,000	\$745,575,000	\$2,419,525,000
SELF-LIQUIDATING BONDS ^c						
California Water Resources Development Bond Act of 1959 -----	½-5	1975-2018	\$1,750,000,000	\$600,000,000 ^a	-	\$1,150,000,000
HARBOR BONDS						
San Francisco Harbor Improvement, 1909 ^d -----	4	1951-1985	\$9,000,000	-	\$7,294,000	\$1,706,000
San Francisco Harbor Improvement, 1913 ^e -----	4	1955-1989	10,000,000	\$550,000	6,915,000	2,535,000
San Francisco Harbor Improvement, 1929 ^f -----	1½-3¼	1952-1983	10,000,000	-	6,585,000	3,415,000
India Basin of 1909 -----	4	1941-1985	1,000,000	147,000	668,000	185,000
Harbor Development of 1958 ^g -----	1-6	1964-1998	60,000,000	-	9,843,900	50,156,100
Totals, Harbor Bonds -----			\$90,000,000	\$697,000	\$31,305,900	\$57,997,100
VETERANS FARM AND HOME BUILDING BONDS						
Veterans Act of 1946 -----	2-2½	1949-1971	\$100,000,000	-	\$98,600,000	\$1,400,000
Veterans Act of 1949 -----	1½-4	1952-1972	100,000,000	-	91,550,000	8,450,000
Veterans Act of 1951 -----	1¾-2½	1954-1975	150,000,000	-	118,250,000	31,750,000
Veterans Act of 1954 -----	¼-5	1957-1977	175,000,000	-	110,400,000	64,600,000
Veterans Act of 1956 -----	1-5	1958-1984	500,000,000	-	218,100,000	281,900,000
Veterans Act of 1958 -----	3¼-5	1961-1986	300,000,000	-	84,300,000	215,700,000
Veterans Act of 1960 -----	½-5	1962-1989	400,000,000	-	90,000,000	310,000,000
Veterans Act of 1962 -----	3-5	1966-1988	250,000,000	-	33,900,000	216,100,000
Veterans Act of 1968 -----	3½-6½	1971-1991	200,000,000	\$100,000,000	-	100,000,000
Totals, Veterans Farm and Home Building Bonds -----			\$2,175,000,000	\$100,000,000	\$845,100,000	\$1,229,900,000
TOTALS, SELF-LIQUIDATING BONDS -----			\$4,015,000,000	\$700,697,000	\$876,405,900	\$2,437,897,100
TOTALS, ALL GENERAL OBLIGATION BONDS -----			\$7,710,000,000	\$1,230,597,000	\$1,621,980,900	\$4,857,422,100

^a \$200,000,000 in bond anticipation notes were sold 6-1-70 subject to redemption 6-1-71 at an effective interest rate of 5.8298 percent.

^b The school districts of the State of California pay a part of the debt service for the state school building bond issues.

^c The revenues derived from the California Water Resources Development Bond Fund, the San Francisco Harbor Improvement Fund, the Small Craft Harbor Improvement Fund, and the Farm and Home Building Fund of 1943 finance the debt service costs that are paid from the General Fund.

^d Callable on and after July 1, 1951, by lot.

^e Callable on and after July 2, 1955, by lot.

^f Callable on and after January 1, 1941, by lot.

^g San Francisco Harbor services the debt service pertaining to the authorizations for \$50,000,000 in bonds, and the small craft harbors service the debt service pertaining to \$10,000,000 authorizations provided by Chapter 103, Statutes of 1958, First Extraordinary Session.

Schedule 11—Capital Outlay

Page refer- ence	Organization Unit	Actual 1969-70				Estimated 1970-71				Estimated 1971-72			
		General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹
	STATE BUILDING PROGRAM												
	GENERAL GOVERNMENT:^a												
	General Administration:												
	Military Department.....	\$127,591		\$127,591		\$165,000		\$165,000					
214	Unallocated:												
	Transfer to State Construction Program Fund (Reserve Account).....	47,242,202		47,242,202		50,000		50,000					
274	Project Planning.....	100,000		100,000				(10,000)					
276	Project Planning.....												
	Increased Cost of Construction												
	(Prior Bond Issues).....												
275	(1966 and Subsequent Bond Issues).....												\$500,000
275	Miscellaneous Repairs, Improvements and Equipment.....					25,000		25,000					1,000,000
275	Interest on Loans from General Fund: (Prior Bond Issues).....								13,713				
275	(1966 and Subsequent Bond Issues).....				\$20,734				1,020,221				
	Totals, Unallocated.....	\$47,342,202		\$47,342,202	\$20,734	\$75,000	(10,000)	\$75,000	\$2,533,934		(10,000)		\$1,500,000
	Totals, General Government.....	\$47,469,793		\$47,469,793	\$20,734	\$240,000	(10,000)	\$240,000	\$2,533,934		(10,000)	(10,000)	\$1,500,000
	AGRICULTURE AND SERVICES:^a												
321	Department of Agriculture.....	\$33,073		\$33,073		\$1,700		\$1,700					
414	Department of Consumer Affairs.....			(39,308)									
437	State Exposition and Fair Executive Committee.....			12,500				12,500					
493	Department of General Services.....	1,453,998		1,453,998		476,874		476,874					
	Department of Veterans Affairs:												
	Veterans' Home of California.....	82,823		82,823	\$865	125,000		125,000					
	Totals, Agriculture and Services.....	\$1,569,894	\$12,500 (39,308)	\$1,582,394 (39,308)	\$865	\$608,574	\$12,500	\$616,074					
	BUSINESS AND TRANSPORTATION:^a												
119	Department of the California Highway Patrol.....			\$1,086,236				\$3,262,092				\$9,336,802	
149	Department of Motor Vehicles.....			44,724,435				7,806,424				3,750,800	
	Totals, Business and Transportation.....		\$5,810,671	\$5,810,671			\$11,068,516	\$11,068,516			\$13,087,602	\$13,087,602	

^{1a} Page references relate to appropriate volumes of the Budget Supplements.

^b From the State Fair Fund.

^d From the Motor Vehicle Fund

Schedule 11—Capital Outlay—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page refer- ence	Organization Unit	Actual 1969-70				Estimated 1970-71				Estimated 1971-72			
		General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹
STATE BUILDING PROGRAM—Continued													
RESOURCES ^{1a}													
293	Air Resources Board.....		\$182,639	\$182,639			\$1,592,419	\$1,592,419					
322	Department of Conservation.....	\$1,103,141		1,103,141	\$80,793	\$575,630		575,630					
341	State Lands Division.....					50,000		50,000					
529	Department of Water Resources.....	130,113		130,113		80,000		80,000					
	Totals, Resources.....	\$1,233,254	\$182,639	\$1,415,893	\$80,793	\$705,630	\$1,592,419	\$2,298,049					
HUMAN RELATIONS ^{1a}													
Department of Corrections:													
68	California Conservation Center.....	\$51,122		\$51,122		\$7,409		\$7,409					
69	Correctional Institution at Tehachapi.....	41,928		41,928									
70	Correctional Training Facility.....	8,593		8,593									
71	Deuel Vocational Institution.....	32,262		32,262		2,000		2,000					
72	State Prison at Folsom.....	45,206		46,205									
72	Institution for Men.....	23,569		23,569		18,000		18,000					
74	Medical Facility.....	17,011		17,011		2,380		2,380					
74	Men's Colony.....	28		28		3,949		3,949					
75	State Prison at San Quentin.....	255,885		255,885		1,500		1,500	\$250,400				
75	Institution for Women.....	18,920		18,920									
77	Rehabilitation Center.....					18,012		18,012					
	Totals, Department of Corrections.....	\$495,625		\$495,625		\$53,250		\$53,250	\$250,400				
Department of the Youth Authority:													
165	Departmental Administration.....	\$266,589		\$266,589		\$80,035		\$80,035		\$150,000		\$150,000	
157	Northern California Reception Center and Clinic.....												
168	Fred C. Nelles School for Boys.....	1,141		1,141									
169	Northern California Youth Center.....				\$2,371								
169	Southern California Youth Center.....	232,113		232,113		3,609		3,609					
170	Paso Robles School for Boys.....	233,870		233,870		14,915		14,915					
171	Preston School of Industry.....	198,442		198,442					\$412,715				
172	Los Guilicos School for Girls.....	12,749		12,749									
	Totals, Department of the Youth Authority.....	\$944,904		\$944,904	\$2,371	\$98,559		\$98,559	\$412,715	\$150,000		\$150,000	
Department of Human Resources Development:													
250	Department of Human Resources Development.....		e\$-165,608	\$-165,608			e\$-161,238	\$-161,238			e\$-155,003	\$-155,003	
250	"Read Act".....		f(-400,415)	(-400,415)			f(-391,254)	(-391,254)			f(-387,370)	(-387,370)	
339	Department of Mental Hygiene.....	\$2,559,752		2,559,752		502,904		502,904	111,400				
	Totals, Human Relations.....	\$4,000,281	\$-165,608	\$3,834,673	\$2,371	\$554,713	\$-161,238	\$493,475	\$774,515	\$150,000	\$-155,003	\$-5,003	
			(-400,415)	(-400,415)			(-391,254)	(-391,254)			(-387,370)	(-387,370)	

¹ From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

^{1a} Page references relate to appropriate volumes of the Budget Supplements.

^d From the Motor Vehicle Fund.

^e From the Department of Human Resources Development Contingent Fund.

^f From the Unemployment Trust Funds—not included in overall budget totals.

Schedule 11—Capital Outlay—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page refer- ence	Organization Unit	Actual 1969-70				Estimated 1970-71				Estimated 1971-72			
		General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹
	STATE BUILDING PROGRAM—Continued												
	EDUCATION:												
	Education:												
	Department of Education:												
	Special Schools for the Physically Handi-												
	capped Children	\$15,200		\$15,200									
78	School for the Blind												
	Diagnostic School for Neurologically Handi-												
	capped Children, Northern California												
78	School for the Deaf, Berkeley	39,159		39,159				\$23,445					
79	School for the Deaf, Berkeley	36,837		36,837				220					
80	School for the Deaf, Riverside							79,700					
	Totals, Education	\$91,196		\$91,196				\$103,365					
	Higher Education:												
	Augmentation for Higher Education—Capital												
141	Outlay	\$6,000,000	\$3-6,000,000					\$70,000,000					
212	University of California		e29,767,753 b(17,812,363)	29,767,753 (17,812,363)	-1,190,093								
	State Colleges:												
434	Trustees of the California State Colleges		e352,329	352,329	4,929,294								
434	State College, Bakersfield		e3,434,836	3,434,836	63,621								
434	Chico State College		e1,811,517	1,811,517	7,898,497								
434	State College, Dominguez Hills		e346,159	346,159	7,072,370								
434	Fresno State College		e492,967	492,967	1,660,249								
434	State College, Fullerton		e1,282,478	1,282,478	-443,793								
434	State College, Hayward		a-308,291	-308,291	2,344,532								
434	Humboldt State College		e101,710	101,710	776,596								
435	State College, Long Beach		e3,602,511	3,602,511	-1,287,867								
435	State College, Los Angeles		e1,160,474	1,160,474	2,121,000								
435	Sacramento State College		e2,533,982	2,533,982	-345,594								
435	State College, San Bernardino		e805,363	805,363	-757,843								
435	San Diego State College		e1,133,883	1,133,883	-46,419								
435	San Fernando Valley State College		e144,430	144,430	211,772								
435	San Francisco State College		e4,615,530	4,615,530	2,136								
435	San Jose State College		e191,367	191,367	3,036,964								
435	Sonoma State College		e229,615	329,615	-75,723								
435	Stanislaus State College		e102,394	102,394	-382,789								
435	State Polytechnic College—Kellogg-Voorhis		e1,319,563	1,319,563	-14,613								
435	State Polytechnic College—San Luis Obispo		e378,211	378,211	-35,173								
	Totals, State Colleges		\$23,833,018 c(7,388,573)	\$23,833,018 (7,388,573)	\$26,727,107								

¹ From the State Construction Fund unless otherwise indicated—²not included in overall budget totals.

^a Page references relate to appropriate volumes of the Budget Supplements.

From the Capital Outlay Fund for Public Higher Education.

^b From University Plant Funds and nonstate funds—not included in overall budget totals.

* From University of Illinois and nonstate funds

From nonstate funds--not included in budget totals.

* From nonstate funds—not included in budget totals.
† From State College Facility Revenue Fund—not included in overall budget totals.

Schedule 11—Capital Outlay—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page refer- ence	Organization Unit	Actual 1969-70				Estimated 1970-71				Estimated 1971-72			
		General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹
STATE BUILDING PROGRAM—Continued	EDUCATION—Continued												
	Higher Education:—Continued												
	Mortimo Academy	\$240,700		\$246,700	\$2,419,415	\$85,200		\$85,200	\$10,136,988				\$26,510,959
	Community Colleges	26,914,885	¹ (\$10,307,550) ^m (21,305,714)	20,914,886 (\$19,307,550) (\$21,305,714)			¹ (\$5,111,458) ^m (16,608,610)	(5,111,458) (\$16,608,610)			¹ (\$—16,000,000) ^m (7,751,890)	(\$—16,000,000) (7,751,890)	
	Totals, Higher Education	\$33,161,586	\$47,600,771 (65,814,200)	\$80,762,357 (65,814,200)	\$27,956,429	\$70,335,200	\$—67,616,958 (47,568,623)	\$2,718,242 (47,568,623)	\$55,889,148	\$10,000,000	\$—10,000,000 (71,148,130)	(\$71,148,130)	\$26,510,959
	Totals, Education	\$33,252,782	\$47,600,771 (65,814,200)	\$80,853,553 (65,814,200)	\$27,956,429	\$70,438,565	\$—67,515,958 (47,568,623)	\$2,821,607 (47,568,623)	\$55,974,148	\$10,000,000	\$—10,000,000 (71,148,130)	(\$71,148,130)	\$26,510,959
	Totals, State Building Program	\$87,526,004	\$53,440,973 ² (65,453,093)	\$140,966,977 (65,453,093)	\$28,061,192	\$72,642,482	\$—55,104,761 ³ (47,187,369)	\$17,537,721 (47,187,369)	\$59,282,597	\$10,150,000	\$2,932,599 ⁴ (70,770,760)	\$13,082,599 (70,770,760)	\$28,010,959
DISTRICT FAIR CONSTRUCTION PROGRAM	Agriculture:												
	District Agricultural Associations	\$50,000	\$1,663,872	\$1,713,872		\$—300,000	\$2,627,857	\$2,327,857		\$—1,850,000	\$2,234,000	\$384,000	
	STATE HIGHWAY PROGRAM												
	Transportation:												
	Department of Public Works:												
193	Division of Highways		\$450,856,694	\$459,856,594			\$380,658,203	\$380,658,203			\$343,528,218	\$343,528,218	
	Division of Highways—Other Funds		^p (11,512,680)	(11,512,680)			^p (3,666,653)	(3,666,653)					
	WILDLIFE CONSERVATION PROGRAM												
Resources:	Department of Fish and Game		\$2,983,097	\$2,983,097			\$292,021	\$292,021			\$902,100	\$902,100	\$180,000
	Wildlife Conservation Board		\$2,562,520	2,562,520	\$817,249		^q —1,066,500	—1,066,500	\$1,066,566				\$180,000
	Wildlife Conservation Board		\$524,404	524,404			\$750,000	750,000			750,000	750,000	
	Totals, Wildlife Conservation Program		\$6,070,021	\$6,070,021	\$817,249			\$—23,579	\$—23,579	\$1,066,566		\$1,352,100	\$1,352,100

¹ From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

² Bond funds and all amounts in parentheses are not included in overall budget totals.

³ From the State Beach, Park, Recreational and Historical Facilities Fund—not included in overall budget totals.

⁴ From the Recreation and Fish and Wildlife Enhancement Fund—not included in overall budget totals.

⁵ This amount was treated as an expenditure in the 1969-70 fiscal year when transferred from the General Fund to this Nongovernmental Cost Fund.

^m From Community College District Funds—not included in budget totals.

ⁿ From the Fair and Exposition Fund.

^o From the State Highway Fund.

^p For State Highway purposes from other funds—not included in overall budget totals.

^q From the Fish and Game Preservation Fund.

^r From the Wildlife Restoration Fund.

Schedule 11—Capital Outlay—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Organization Unit	Page reference	Actual 1969-70				Estimated 1970-71				Estimated 1971-72			
		General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹
PARKS AND RECREATION ACQUISITION AND DEVELOPMENT PROGRAM	Resources:												
	Department of Navigation and Ocean Development.....							(1,020,200)			*(155,000)	(155,000)	
	Department of Parks and Recreation:							(778,100)					
	State Park and Recreation Commission.....		*(210,446)	(210,446)				\$3,965,439	\$27,378,133	\$100,000		\$100,000	\$18,354,844
	State Park and Recreation Commission.....	\$4,955,680		\$4,955,680	\$5,293,156	\$3,965,439		78					
	State Park and Recreation Commission.....						200,000						
	State Park and Recreation Commission.....												\$8,643,268
Totals, Parks and Recreation Acquisition and Development Program.....	437	\$4,955,680		\$4,955,680	\$5,293,156	\$3,965,439		\$4,165,517 (1,798,300)	\$27,378,133	\$100,000		\$100,000 (615,000)	\$26,998,112
CALIFORNIA WATER FACILITIES PROGRAM	Resources:												
	Reclamation Board Projects.....	\$881,442		\$881,442				\$115,000		\$1,587,000		\$1,587,000	
	Department of Water Resources.....	1,209,910	=\$1,337,429	2,647,339		1,120,000		1,120,000					
	Department of Water Resources.....				\$133,860,136				\$269,901,247				\$177,428,569
	Department of Water Resources.....				\$153,363,241				\$61,899,237				\$83,233,641
	Totals, California Water Facilities Program.....	\$2,091,352	\$1,337,429	\$3,428,781	\$287,223,377	\$1,235,000		\$1,235,000	\$321,800,484	\$1,587,000		\$1,587,000	\$290,662,210
	TOTALS, CAPITAL OUTLAY.....	\$94,625,036	\$522,368,989	\$616,992,025 (77,176,219)	\$321,394,974	\$77,542,921	\$308,357,798	\$385,900,719 (52,652,322)	\$409,527,780	\$9,987,000	\$350,047,917	\$360,034,917 (71,385,760)	\$315,851,281

1 From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

2 Bond funds and all amounts in parentheses are not included in overall budget totals.

3 From the State Beach, Park, Recreational and Historical Facilities Fund—not included in overall budget totals.

4 From the Recreation and Fish and Wildlife Enhancement Fund—not included in overall budget totals.

5 From the Harbors and Watercraft Revolving Fund—not included in overall budget totals.

6 From the Motor Vehicle Transportation Tax Fund.

7 From the Highway Users Tax Fund.

8 From the Special Deposit Fund—not included in overall budget totals.

9 From the California Water Fund.

10 From the California Water Resources Development Bond Fund—not included in overall budget totals.

11 From the Central Valley Water Project Construction Fund—not included in overall budget totals.

Schedule 12—Capital Outlay

**COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID GRANTED TO THE STATE OF CALIFORNIA
FOR THE FISCAL YEARS 1969-70, 1970-71, and 1971-72**

Function				
STATE BUILDING PROGRAM				
General Government:				
Military Affairs:	Page	Actual	Estimated	Estimated
Construction of Armories -----	reference	1969-70	1970-71	1971-72
Facilities for maintenance and care of federal equipment * ---	214	\$11,124	-	-
	214	(226,011)	(\$225,000)	(\$1,857,000)
Education:				
University of California -----	212	\$4,087,221	\$8,242,000	\$14,356,000
State Colleges:				
Trustees of the California State Colleges -----	440	10,215,903	30,672,069	-
Community Colleges -----	642	4,842,196	157,804	-
Totals, Education -----		\$19,145,320	\$39,071,873	\$14,356,000
Totals, State Building Program -----		\$19,156,444	\$39,071,873	\$14,356,000
		(226,011)	(225,000)	(1,857,000)
STATE HIGHWAY PROGRAM				
Business and Transportation:				
Department of Public Works:				
Division of Highways -----	191	\$427,062,241	\$433,388,025	\$365,190,000
WILDLIFE CONSERVATION PROGRAM				
Resources:				
Wildlife Conservation Board:				
Federal Land and Water Conservation Act -----	393	\$784,929	-	-
PARKS AND RECREATION ACQUISITION AND DEVELOPMENT PROGRAM				
Resources:				
Department of Navigation and Ocean Development -----	412	-	\$208,259	-
CALIFORNIA WATER FACILITIES PROGRAM				
Resources:				
Department of Water Resources:				
Federal Share of Operation and Maintenance -----	533	\$1,397,932	\$1,548,317	\$1,581,500
Federal Flood Control Contributions -----	533	\$1,922,479	\$2,518,477	\$176,000
Totals, California Water Facilities Program -----		\$3,320,411	\$4,066,794	\$1,757,500
TOTALS, CAPITAL OUTLAY (Federal funds) b-----		\$450,324,025	\$476,734,951	\$381,303,500
		(226,011)	(225,000)	(1,857,000)

^a Federal funds not reported in detail budget schedules and not summarized in the Reconciliation with Appropriations.

^b Federal funds are not included in overall budget totals.

SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATION FOR THE FISCAL YEAR 1971-72

¹ From State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

* This amount was treated as an expenditure in the 1969-70 fiscal year when transferred to the General Fund.

^a From Harbors and Watercraft Revolving Fund—not included in overall budget total.

* From Department of Human Resources Development Contingent Fund.

^d From Unemployment Trust Fund (Reed Act)—not included in overall budget totals.

^e From Capital Outlay Fund for Public Higher Education.

* From University Educational Fees—not included in overall budget totals.

^c From State College Revenue Fund—not included in overall budget totals.

SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATION FOR THE FISCAL YEAR 1971-72—Continued

From State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

From Harbors and Waterfront Revolving Fund—not included in overall budget totals.

From State Highway Fund.

From Fish and Game Preservation Fund.

From Recreation and Fish and Wildlife Enhancement Fund—not included in overall budget totals.

From Wildlife Restoration Fund.

From State Beach, Park, Recreational and Historical Facilities Fund—not included in overall budget totals.

From the Special Deposit Fund—not included in overall budget totals.

From California Water Resources Development Bond Fund—not included in overall budget totals.

From Central Valley Water Project Construction Fund—not included in overall budget totals.

Schedule 14—Capital Outlay

COMPARATIVE STATEMENT OF EXPENDITURES AUTHORIZED BY THE BUDGET ACT AND EXPENDITURES REQUIRED BY THE CONSTITUTION OR OTHER STATUTES FOR THE FISCAL YEARS 1969-70, 1970-71 AND 1971-72

Purpose and Legal Citation	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATUTORY AUTHORIZATIONS									
AUTHORIZED BY STATUTES:									
District Fair Construction Program									
Agriculture:									
District Agricultural Associations									
Section 19630, Business and Professions Code and Section 4002, Agricultural Code-----		\$1,663,872	\$1,663,872		\$2,627,857	\$2,627,857		\$411,563	\$411,563
STATE HIGHWAY PROGRAM									
Business and Transportation:									
Division of Highways									
Section 183, Streets and Highways Code-----		459,856,694	459,856,694		360,658,203	360,658,203		343,529,218	343,529,218
WILDLIFE CONSERVATION PROGRAM									
Resources:									
Wildlife Conservation Board									
Section 1352, Fish and Game Code-----		524,404	524,404		750,000	750,000		750,000	750,000
TOTALS, STATUTORY AUTHORIZATIONS-----		\$462,044,970	\$462,044,970		\$364,036,060	\$364,036,060		\$344,690,781	\$344,690,781
BUDGET ACT AUTHORIZATIONS									
Expenditures from appropriations and authorizations which are subject to legislative or executive determinations, including Budget Act appropriations, special appropriations, balances available in prior year appropriations made available for expenditure for more than one fiscal year, and deficiency authorizations.									
TOTALS, BUDGET ACT AUTHORIZATIONS-----	\$94,623,036	\$60,324,019	\$154,947,055	\$77,542,921	— \$55,678,262	\$21,864,659	\$9,987,000	\$5,357,136	\$15,344,136
TOTALS, CAPITAL OUTLAY-----	\$94,623,036	\$622,368,989	\$616,992,025	\$77,542,921	\$308,357,798	\$385,900,719	\$9,987,000	\$350,047,917	\$360,034,917

**Schedule 15—CAPITAL OUTLAY (Financed By The General Fund and Special Funds)
EXPENDITURES FOR THE 1969-70 AND 1970-71 FISCAL YEARS—RECONCILIATION OF THE CHANGES FROM PREVIOUS BUDGET ESTIMATES**

	1969-70 Fiscal Year			1970-71 Fiscal Year									
	1970-71 Governor's Budget Estimated Expenditures	Savings	1971-72 Governor's Budget Actual	1970-71 Governor's Budget as Submitted	Effect of Legislative Action	Prior Year Balance Forward Adjustments	Transfers	Allocations	Deficiency Appropriation	Continuing Appropriation Augmentation	Estimated Savings	Current Year Balance Forward Adjustments	Reestimated Expenditures 1970-71 Fiscal Year
GENERAL FUND													
General Government:													
Executive.....	\$293,700	\$-166,109	\$127,591	\$35,000	\$-35,000	\$165,000							\$165,000
Unallocated.....	23,464,322	23,877,880	47,342,202	700,000	-125,000	1,272,966		\$-19,665			\$-2,065,075	\$301,784	75,000
Totals, General Government.....	\$23,758,022	\$23,711,771	\$47,469,793	\$735,000	\$-100,000	\$1,437,956		\$-19,665			\$-2,055,075	\$301,784	\$240,000
Agriculture and Services.....	\$2,667,942	\$-1,048,048	\$1,619,894	\$1,503,545	\$-651,845	\$1,182,019					\$-1,730,145		\$303,574
Resources.....	14,268,747	-5,988,461	8,280,286	5,967,500	-1,524,922	7,907,715		\$4,750			-6,448,974		5,906,069
Human Relations.....	4,261,159	-260,878	4,000,281	5,205,420	-4,128,875	747,850		15,135			-1,081,452		768,078
Education.....	148,115	-56,919	91,196										
Higher Education.....	136,347,386	-103,185,800	33,161,586	34,304,436	-33,977,036	103,185,800					-23,178,000	\$-10,000,000	70,335,200
Totals, Capital Outlay (General Fund).....	\$181,451,371	\$-86,828,335	\$94,623,036	\$47,715,901	\$-40,442,678	\$114,461,340		\$220			\$-34,493,646	\$-9,698,216	\$77,542,921
SPECIAL FUNDS													
Agriculture and Services.....	\$3,196,356	\$-1,519,984	\$1,676,372	\$1,479,200		\$1,281,157						\$-120,000	\$2,640,357
Business and Transportation.....	448,055,375	17,611,990	465,667,365	289,212,244	\$-289,730	6,361,211					\$-271,439	-396,085	371,726,719
Resources.....	7,443,915	146,174	7,590,089	290,127	200,000	2,321,386				\$77,110,518	-749,290	-293,305	1,765,918
Human Relations.....	-163,587	-2,021	-165,608	-161,945		707							-161,238
Higher Education.....	-18,403,201	66,003,972	47,600,771	16,685,564	-14,774,454	-49,199,576		\$217,963			-20,546,455		-67,616,958
Totals, Capital Outlay (Special Funds).....	\$440,128,868	\$82,240,131	\$522,368,989	\$307,505,190	\$-14,864,184	\$-39,235,115		\$217,963		\$77,110,518	\$-21,567,184	\$-809,390	\$308,357,798
Total Capital Outlay (General and Special Funds).....	\$621,580,229	\$-4,588,204	\$616,992,025	\$355,221,091	\$-55,306,862	\$75,226,225		\$218,183		\$77,110,518	\$-66,000,830	\$-10,807,606	\$385,900,719

INDEX

A

Administration and Payment of Tort Liability Claims	33
Advisory Commission on Indian Affairs	211
Advisory Commission on Marine and Coastal Resources	27
Advisory Commission on the Status of Women	49
Advisory Committee, California	124
Aeronautics, Department of	106
Agency Administrators. (See Secretary for.)	
Agricultural Associations, District	69
Agricultural Fairs and Citrus Fruit Fairs, Assistance to County	70
Agriculture and Services, Secretary for	10
Agriculture, Department of	65
Aid to Victims of Crimes of Violence	34
Air Resources Board	122
Alcoholic Beverage Control, Department of	93
Alcoholic Beverage Control Appeals Board	94
Appeal, District Courts of. (See Judicial.)	
Arts Commission, California	50
Assembly. (See Legislature.)	
Assistance to. See subject (e.g., Public Defenders).	
Augmentation for Higher Education—Capital Outlay	269
Augmentations for Salary Increase	60

B

Balance Sheet Schedule, General Fund. (See Table of Contents.)	
Banking Department, State	95
Bicentennial Celebration Commission	26
Blind, Loans to Recipients of Aid to the	245
Bond Interest and Redemption	58
Bonded Debt, Statement on. (See Table of Contents.)	
Building and Planning Commission, Capitol	82
Business and Transportation, Secretary for	11
Business and Transportation Special Services and Studies	105

C

California Advisory Committee	124
California-Nevada Interstate Compact Commission	124
California State Government Organization and Economy, Commission on	43
California, University of	270
Capitol Building and Planning Commission	82
Cash Flow Statement. (See Payment of Interest on General Fund Loans.)	
Civil Defense. (See Office of Emergency Services.)	
Civil Service. (See Personnel Board.)	
Colleges, The California State	287
Colorado River Board	125
Commerce, Department of	71
Commission of the Californias	25
Commission on. See subject (e.g., Interstate Cooperation, Judicial Qualifications, etc.).	
Committee on. See subject (e.g., Intergovernmental Relations, etc.).	
Community Colleges, Board of Governors of the	301
Comparative Statements and Charts (See Table of Contents.)	
Compensation. See subject (e.g., Workmen's Compensation for Subsequent Injuries, Workmen's Compensation Insurance, etc.).	
Conservation, Department of	127
Conservation Board, Wildlife	135
Consumer Affairs, Department of	72
Contingencies, Reserves for	61
Contributions to. See subject (e.g., Legislators' Retirement Fund, Teachers' Retirement Fund, etc.).	
Control, Board of	76
Controller, State	35
Coordinating Council for Higher Education	267
Corporations, Department of	97
Corrections, Department of	185
Council Judicial. (See Judicial.)	
County Agricultural Fairs and Citrus Fruit Fairs, Assistance to	70
Court, Supreme (See Judicial.)	
Courts of Appeal (See Judicial.)	
Crime Technological Research Foundation	32
Crimes of Violence, Aid to Victims of	34
Criminal Justice, Council on	31

D

Debt, Statement of Bonded (See Table of Contents.)	
Debt Service on Public School Building Bonds	265
Department of. See subject (e.g., Agriculture, Corrections, etc.).	
Disaster Service Workers, Workmen's Compensation for	247
District Agricultural Associations	69
District Courts of Appeal (See Judicial.)	

E

Earthquake Damage Repair	56
Education, Department of	252
Educational Opportunity Programs, Higher	306
Educational Research Commission	251
Electronic Data Processing, Intergovernmental Board on	24
Emergency Services, Office of	14
Employees' Retirement System, Public	85
Environmental Quality Study Council	23
Equalization, State Board of	37
Expenditures of State Government (See Table of Contents.)	
Exposition and Fair Executive Committee, State	76

F

Fair Executive Committee, State Exposition and Fairs and Citrus Fruit Fairs, Assistance to County Agricultural	70
Finance, Department of	42
Fire Marshal, State	78
Fish and Game, Department of	133
Flood Damage Repair, Storm and	55
Franchise Tax Board	79

G

Game, Department of Fish and	133
General Services, Department of	80
Government Organization and Economy, Commission on California State	43
Governor's Office	9
Governors of the Community Colleges, Board of	301
Governor's Message (See Table of Contents.)	
Grants to Local Agencies for Recreation	149

H

Harbor Commissioners for Humboldt Bay, Board of	53
Hastings College of Law	283
Health Care Services	196
Health, Department of Public	227
Heritage Preservation Commission	40
Higher Education—Capital Outlay, Augmentation for	269
Higher Education, Coordinating Council for	267
Higher Educational Opportunity Programs	306
Highway Patrol, Department of the California	108
Highways, Division of	117
Homeowners' Property Tax Relief	57
Horse Racing Board	51
Hospitals, State (See Mental Hygiene.)	
Housing and Community Development, Department of	98
Human Relations, Secretary for	12
Human Relations Agency—Special Services	181
Human Resources Development, Department of	204
Human Resources Development Act	182
Humboldt Bay, Board of Harbor Commissioners for	53

I

Income Tax (See Franchise Tax Board.)	
Indian Affairs, Advisory Commission on	211
Industrial Relations, Department of	214
Institutions (See Corrections, Mental Hygiene, Youth Authority, etc.)	
Insurance, Department of	99
Insurance, Workmen's Compensation	246
Insurance Fund, Compensation	246
Interest and Redemption, Bond	58
Interest on General Fund Loans, Payment of	59
Intergovernmental Management, Office of	17
Intergovernmental Board on Electronic Data Processing	24
Intergovernmental Relations, Council on	21
Interstate Compact Commission, California-Nevada	124
Interstate Cooperation, Commission on	44

INDEX—Continued

J		
Job Development Corporation Law Executive Board	212	
Judges' Retirement Fund, Contributions to	8	
Judges' Retirement Fund	9	
Judges, Salaries of Superior Court	8	
Judicial	5	
Judicial Qualifications, Commission on	7	
Justice, Council on Criminal	31	
Justice, Department of	28	
K		
Klamath River Compact Commission	137	
L		
Lands Division, State	131	
Law Revision Commission	3	
Legislative Claims	61	
Legislative Counsel Bureau	2	
Legislators' Retirement Fund, Contributions to	4	
Legislature	1	
Lieutenant Governor, Office of the	19	
Litigation, Provision for Settlement of Pending	34	
Loans to Recipients of Aid to the Blind	245	
Local Agencies for Recreation, Grants to	149	
M		
Management Services, Office of	26	
Marine and Coastal Resources, Advisory Commission on	27	
Maritime Academy, California	299	
Mental Hygiene, Department of	220	
Mental Retardation Program	183	
Merit Award Board (See Board of Control.)		
Military Department	45	
Motor Vehicles, Department of	111	
N		
Navigation and Ocean Development, Department of	138	
O		
Ocean Development, Department of Navigation and	138	
Organization and Economy, Commission on California		
State Government	43	
P		
Parks and Recreation, Department of	144	
Payment of Interest on General Fund Loans	59	
Peace Officers' Standards and Training, Commission	30	
Personal Property Tax Relief	57	
Personal Services Not Elsewhere Reported	53	
Personnel Board, State	83	
Pilot Commissioners for the Bays of San Francisco, San		
Pahlo and Suisun, Board of	52	
Pilot Commissioners for the Harbor of San Diego, Board		
of	51	
Planning, State Office of	27	
Planning and Research, Office of	18	
Poultry Improvement Commission	71	
Property Tax Assistance, Senior Citizens	56	
Property Tax Relief, Homeowners'	57	
Property Tax Relief, Personal	57	
Provision for Settlement of Pending Litigation	34	
Public Defenders, Assistance to Counties for	33	
Public Employees' Retirement System	85	
Public Health, Department of	227	
Public School Building Bonds, Debt Service on	265	
Public Schools, Apportionments for (See Education.)		
Public Schools, Financial Assistance to (See Education.)		
Public Utilities Commission	48	
Public Works, Department of	115	
R		
Rapid Transit District, Southern California	117	
Real Estate, Department of	100	
Reclamation Board	163	
Recreation, Department of Parks and	144	
Recreation, Grants to Local Agencies for	149	
Refunds of Taxes, Licenses and Other Fees	54	
Rehabilitation, Department of	238	
Reserves for Contingencies	61	
Research Commission, Educational	251	
Research Foundation, California Crime Technological	32	
Resources, Department of Water	168	
Resources, Secretary for	13	
Resources Services and Studies, Special	121	
Retirement Funds, Contributions to. See subject (e.g.,		
Public Employees')		
Revenues (See Tables of Contents.)	A-43	
Riot and Civil Disorders Insurance	100	
S		
Salaries of Superior Court Judges	8	
Salary Increases, Augmentations for	60	
San Diego, Board of Pilot Commissioners		
for the Harbor of	51	
San Francisco, San Pahlo, and Suisun, Board of Pilot		
Commissioners for the Bays of	52	
San Francisco Bay Conservation and Development		
Commission	167	
Savings and Loan, Department of	102	
Schedules, Charts and Tahles (See Table of Contents.)		
Scholarship and Loan Commission, State	304	
School Building Construction	266	
Secretary for Agriculture and Services	10	
Secretary for Business and Transportation	11	
Secretary for Human Relations	12	
Secretary for Resources	13	
Secretary of State	39	
Senate (See Legislature.)		
Senior Citizens' Property Tax Assistance	56	
Shared Revenues	62	
Social Welfare, Department of	242	
Southern California Rapid Transit District	117	
Special Resources Services and Studies	121	
Special Schools for Physically Handicapped (See		
Education.)		
State. See subject (e.g., Colleges, Controller, Fire		
Marshal, etc.).		
Status of Women, Advisory Commission on	49	
Storm and Flood Damage Repair	55	
Subsequent Injuries, Workmen's Compensation Benefits for	247	
Summary, General Budget (See Table of Contents.)		
Supreme Court (See Judicial.)		
T		
Tax Board, Franchise	79	
Taxes, Licenses and Other Fees, Refunds of	54	
Teachers' Retirement System, State	87	
Teachers' Retirement Fund, Contributions to	264	
Tort Liability Claims, Administration and Payment of	33	
Traffic Safety, Office of	103	
Training for Job Opportunities (See Human Resources		
Development Act.)		
Transportation, Secretary for Business and	11	
Transportation Planning and Research, Office of	104	
Transportation Special Services and Studies, Business		
and	105	
Treasurer, State	41	
U		
Unallocated	62	
Uniform State Laws, Commission on	4	
University of California	270	
Utilities Commission, Public	48	
V		
Vehicle Equipment Safety Commission	110	
Veterans Affairs, Department of	89	
W		
Water Resources, Department of	168	
Water Resources Control Board, State	176	
Welfare, Department of Social	242	
Western Interstate Commission on Higher Education	268	
Wildlife Conservation Board	135	
Women, Advisory Commission on the Status of	49	
Workmen's Compensation Benefits for Subsequent		
Injuries	247	
Workmen's Compensation for Disaster Service Workers	247	
Workmen's Compensation Insurance	246	
Y		
Youth Authority, Department of the	190	

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